

## STATE OF MINNESOTA

## EIGHTY-THIRD SESSION — 2003

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 FORTY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 30, 2003

The House of Representatives convened at 9:30 a.m. and was called to order by Steve Sviggum, Speaker of the House.

Prayer was offered by the Reverend Bruce Talso, Interim Senior Pastor at Wyanett Evangelical Free Church, Princeton, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dempsey	Hilty	Latz	Otto	Solberg
Abrams	Dill	Holberg	Lenczewski	Ozment	Stang
Adolphson	Dorman	Hoppe	Lesch	Paulsen	Strachan
Anderson, B.	Dorn	Hornstein	Lieder	Paymar	Swenson
Anderson, I.	Eastlund	Howes	Lindgren	Pelowski	Sykora
Anderson, J.	Eken	Huntley	Lindner	Penas	Thao
Atkins	Ellison	Jacobson	Lipman	Peterson	Thissen
Bernardy	Entenza	Jaros	Magnus	Powell	Tingelstad
Blaine	Erhardt	Johnson, J.	Mahoney	Pugh	Urdahl
Borrell	Erickson	Johnson, S.	Mariani	Rhodes	Vandever
Boudreau	Finstad	Juhnke	Marquart	Rukavina	Wagenius
Bradley	Fuller	Kahn	McNamara	Ruth	Walker
Brod	Gerlach	Kelliher	Mullery	Samuelson	Walz
Buesgens	Goodwin	Kielkucki	Murphy	Seagren	Wardlow
Carlson	Greiling	Klinzing	Nelson, C.	Seifert	Wasiluk
Clark	Gunther	Knoblach	Nelson, M.	Sertich	Westerberg
Cornish	Haas	Koenen	Nelson, P.	Severson	Westrom
Cox	Hackbarth	Kohls	Nornes	Sieben	Wilkin
Davids	Harder	Krinkie	Olsen, S.	Simpson	Zellers
Davnie	Hausman	Kuisle	Olson, M.	Slawik	Spk. Sviggum
DeLaForest	Heidgerken	Lanning	Opatz	Smith	
Demmer	Hilstrom	Larson	Osterman	Soderstrom	

A quorum was present.

Meslow was excused.

Biernat was excused until 12:15 p.m. Beard was excused until 1:50 p.m. Otremba was excused until 4:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Zellers moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

**REPORTS OF STANDING COMMITTEES**

Knoblach from the Committee on Ways and Means to which was referred:

H. F. No. 437, A bill for an act relating to state government; making changes to public assistance programs, health care programs, long-term care, continuing care for persons with disabilities, human services licensing, county initiatives, and children's services; establishing the Community Services Act; changing estate recovery provisions for medical assistance; changing health department provisions; modifying local public health grants; changing child care provisions; making forecast adjustments; appropriating money; amending Minnesota Statutes 2002, sections 16A.724; 61A.072, subdivision 6; 62A.315; 62A.48, by adding a subdivision; 62A.49, by adding a subdivision; 62A.65, subdivision 7; 62D.095, subdivision 2, by adding a subdivision; 62J.692, subdivision 4, by adding a subdivision; 62Q.19, subdivision 1; 62S.22, subdivision 1; 69.021, subdivision 11; 119B.011, subdivisions 5, 6, 15, 19, 21, by adding subdivisions; 119B.02, subdivision 1; 119B.03, subdivision 9; 119B.05, subdivision 1; 119B.08, subdivision 3; 119B.09, subdivisions 1, 2, 7, by adding subdivisions; 119B.11, subdivision 2a; 119B.12, subdivision 2; 119B.13, subdivisions 1, 2, 6, by adding subdivisions; 119B.16, subdivision 2, by adding subdivisions; 119B.19, subdivision 7; 119B.21, subdivision 11; 119B.23, subdivision 3; 124D.23, subdivision 2; 144.1222, by adding a subdivision; 144.125; 144.128; 144.1483; 144.1488, subdivision 4; 144.1491, subdivision 1; 144.1502, subdivision 4; 144.551, subdivision 1; 144A.04, subdivision 3, by adding a subdivision; 144A.071, subdivision 4a; 144A.10, by adding a subdivision; 144A.4605, subdivision 4; 144E.11, subdivision 6; 145.88; 145.881, subdivision 2; 145.882, subdivisions 1, 2, 3, 7, by adding a subdivision; 145.883, subdivisions 1, 9; 145A.02, subdivisions 5, 6, 7; 145A.06, subdivision 1; 145A.09, subdivisions 2, 4, 7; 145A.10, subdivisions 2, 10, by adding a subdivision; 145A.11, subdivisions 2, 4; 145A.12, subdivisions 1, 2, by adding a subdivision; 145A.13, by adding a subdivision; 145A.14, subdivision 2, by adding a subdivision; 147A.08; 148.5194, subdivisions 1, 2, 3, by adding a subdivision; 148.6445, subdivision 7; 153A.17; 174.30, subdivision 1; 179A.03, subdivision 7; 245.4932, subdivision 1; 245A.035, subdivision 3; 245A.04, subdivisions 3, 3b, 3d; 245A.09, subdivision 7; 245A.10; 245A.11, subdivisions 2a, 2b, by adding a subdivision; 245B.03, subdivision 2, by adding a subdivision; 245B.04, subdivision 2; 245B.06, subdivisions 2, 5, 8; 245B.07, subdivisions 6, 9, 11; 245B.08, subdivision 1; 246.54; 252.27, subdivision 2a; 252.32, subdivisions 1, 1a, 3, 3c; 252.41, subdivision 3; 252.46, subdivision 1; 253B.04, subdivision 1; 253B.05, subdivision 3; 256.01, subdivision 2; 256.012; 256.046, subdivision 1; 256.0471, subdivision 1; 256.476, subdivisions 3, 4, 5; 256.482, subdivision 8; 256.935, subdivision 1; 256.955, subdivisions 2a, 3, by adding a subdivision; 256.9657, subdivisions 1, 4, by adding a subdivision; 256.969, subdivisions 2b, 3a; 256.975, by adding a subdivision; 256.9754, subdivisions 2, 3, 4, 5; 256.98, subdivisions 3, 4, 8; 256.984, subdivision 1; 256B.055, by adding a subdivision; 256B.056, subdivisions 1a, 1c, 6; 256B.057, subdivisions 1, 2, 3b, 9, 10; 256B.0595, subdivisions 1, 2, by adding subdivisions; 256B.06, subdivision 4; 256B.061; 256B.0621, subdivision 4; 256B.0623, subdivisions 2, 4, 5, 6, 8; 256B.0625, subdivisions 5a, 9, 13, 17, 18a, 19c, 20, 23, by adding subdivisions; 256B.0627, subdivisions 1, 4, 9; 256B.0635, subdivisions 1, 2; 256B.064, subdivision 2; 256B.0911, subdivisions 3, 4d; 256B.0913, subdivisions 2, 4, 5, 6, 7, 8, 10, 12; 256B.0915, subdivision 3, by adding a subdivision; 256B.092, subdivisions 1a, 5; 256B.0945, subdivisions 2, 4; 256B.095; 256B.0951, subdivisions 1, 2, 3, 5, 7, 9; 256B.0952, subdivision 1; 256B.0953, subdivision 2; 256B.0955; 256B.15, subdivisions 1, 1a, 2, 3, 4, by adding subdivisions; 256B.19, subdivision 1; 256B.195, subdivisions 1, 3, 4, 5; 256B.31; 256B.32, subdivision 1; 256B.431, subdivisions 2r, 32, 36, by adding subdivisions; 256B.434, subdivisions 4, 10; 256B.47, subdivision 2; 256B.48, subdivision 1; 256B.501, subdivision 1, by adding a subdivision; 256B.5012, by adding a subdivision; 256B.5013, subdivision 4; 256B.5015; 256B.69, subdivisions 2, 4, 5a, 5c, by adding subdivisions; 256B.75; 256B.76; 256B.761; 256B.82; 256D.03, subdivisions 3, 3a, 4; 256D.06, subdivision 2; 256D.44, subdivision 5; 256D.46, subdivisions 1, 3; 256D.48, subdivision 1; 256F.10, subdivision 6; 256F.13, subdivisions 1, 2; 256G.05, subdivision 2; 256I.02; 256I.04, subdivision 3; 256I.05, subdivisions 1, 1a, 7c; 256J.01, subdivision 5; 256J.02, subdivision 2; 256J.021; 256J.08, subdivisions 35, 65, 82, 85, by adding subdivisions; 256J.09, subdivisions 2, 3, 3a, 3b, 8, 10; 256J.14; 256J.20, subdivision 3; 256J.21, subdivisions 1, 2; 256J.24, subdivisions 3, 5, 6, 7, 10; 256J.30, subdivision 9; 256J.32, subdivisions 2, 4, 5a, by adding a subdivision; 256J.37, subdivision 9, by adding subdivisions; 256J.38, subdivisions 3, 4; 256J.40; 256J.42, subdivisions 4, 5, 6; 256J.425, subdivisions 1, 1a, 2, 3, 4, 6, 7; 256J.45, subdivision 2; 256J.46, subdivisions 1, 2, 2a; 256J.49, subdivisions 4, 5, 9, 13, by adding subdivisions; 256J.50,

subdivisions 1, 8, 9, 10; 256J.51, subdivisions 1, 2, 3, 4; 256J.53, subdivisions 1, 2, 5; 256J.54, subdivisions 1, 2, 3, 5; 256J.55, subdivisions 1, 2; 256J.56; 256J.57; 256J.62, subdivision 9; 256J.645, subdivision 3; 256J.66, subdivision 2; 256J.67, subdivisions 1, 3; 256J.69, subdivision 2; 256J.75, subdivision 3; 256J.751, subdivisions 1, 2, 5; 256L.02, by adding a subdivision; 256L.03, subdivisions 1, 3, 5; 256L.04, subdivision 1; 256L.05, subdivisions 1, 3, 3a, 3c, 4; 256L.06, subdivision 3; 256L.07, subdivisions 1, 2, 3; 256L.09, subdivision 4; 256L.12, subdivisions 6, 9, by adding subdivisions; 256L.15, subdivisions 1, 2, 3; 256L.17, subdivision 2; 257.05; 259.67, subdivision 4; 260C.141, subdivision 2; 261.035; 261.063; 295.55, subdivision 2; 295.58; 326.42; 393.07, subdivisions 1, 5, 10; 466.03, subdivision 6d; 514.981, subdivision 6; 518.167, subdivision 1; 518.551, subdivision 7; 518.6111, subdivisions 2, 3, 4, 16; 524.3-805; 626.559, subdivision 5; Laws 1997, chapter 203, article 9, section 21, as amended; proposing coding for new law as Minnesota Statutes, chapter 256M; proposing coding for new law in Minnesota Statutes, chapters 62S; 119B; 144; 144A; 145; 145A; 148C; 151; 256; 256B; 256D; 256I; 256J; 514; repealing Minnesota Statutes 2002, sections 16A.151, subdivision 5; 16A.87; 62J.17; 62J.66; 62J.68; 62J.694; 119B.061; 144.126; 144.1484; 144.1494; 144.1495; 144.1496; 144.1497; 144.395; 144.396; 144.401; 144.9507, subdivision 3; 144A.071, subdivision 5; 144A.35; 144A.36; 144A.38; 145.56, subdivision 2; 145.882, subdivisions 4, 5, 6, 8; 145.883, subdivisions 4, 7; 145.884; 145.885; 145.886; 145.888; 145.889; 145.890; 145.9266, subdivisions 2, 4, 5, 6, 7; 145.928, subdivision 9; 145A.02, subdivisions 9, 10, 11, 12, 13, 14; 145A.09, subdivision 6; 145A.10, subdivisions 5, 6, 8; 145A.11, subdivision 3; 145A.12, subdivisions 3, 4, 5; 145A.14, subdivisions 3, 4; 145A.17, subdivisions 2, 9; 148.5194, subdivision 3a; 148.6445, subdivision 9; 245.4712, subdivision 2; 245.478; 245.4886; 245.4888; 245.496; 245.714; 252.32, subdivision 2; 254A.17; 256.955, subdivision 8; 256.973; 256.9772; 256B.055, subdivision 10a; 256B.056, subdivision 3c; 256B.057, subdivision 1b; 256B.0625, subdivisions 35, 36; 256B.0928; 256B.0945, subdivisions 6, 7, 8, 9, 10; 256B.095; 256B.0951; 256B.0952; 256B.0953; 256B.0954; 256B.0955; 256B.195, subdivision 5; 256B.437, subdivision 2; 256B.83; 256E.01; 256E.02; 256E.03; 256E.04; 256E.05; 256E.06; 256E.07; 256E.08; 256E.081; 256E.09; 256E.10; 256E.11; 256E.115; 256E.13; 256E.14; 256E.15; 256F.01; 256F.02; 256F.03; 256F.04; 256F.05; 256F.06; 256F.07; 256F.08; 256F.10, subdivision 7; 256F.11; 256F.12; 256F.14; 256J.02, subdivision 3; 256J.08, subdivisions 28, 70; 256J.24, subdivision 8; 256J.30, subdivision 10; 256J.462; 256J.47; 256J.48; 256J.49, subdivisions 1a, 2, 6, 7; 256J.50, subdivisions 2, 3, 3a, 5, 7; 256J.52; 256J.62, subdivisions 1, 2a, 4, 6, 7, 8; 256J.625; 256J.655; 256J.74, subdivision 3; 256J.751, subdivisions 3, 4; 256J.76; 256K.30; 256L.02, subdivision 3; 256L.04, subdivision 9; 257.075; 257.81; 260.152; 626.562; Laws 1998, chapter 407, article 4, section 63; Laws 2000, chapter 488, article 10, section 29; Laws 2001, First Special Session chapter 3, article 1, section 16; Laws 2001, First Special Session chapter 9, article 13, section 24; Laws 2002, chapter 374, article 9, section 8; Minnesota Rules, parts 4705.0100; 4705.0200; 4705.0300; 4705.0400; 4705.0500; 4705.0600; 4705.0700; 4705.0800; 4705.0900; 4705.1000; 4705.1100; 4705.1200; 4705.1300; 4705.1400; 4705.1500; 4705.1600; 4736.0010; 4736.0020; 4736.0030; 4736.0040; 4736.0050; 4736.0060; 4736.0070; 4736.0080; 4736.0090; 4736.0120; 4736.0130; 4763.0100; 4763.0110; 4763.0125; 4763.0135; 4763.0140; 4763.0150; 4763.0160; 4763.0170; 4763.0180; 4763.0190; 4763.0205; 4763.0215; 4763.0220; 4763.0230; 4763.0240; 4763.0250; 4763.0260; 4763.0270; 4763.0285; 4763.0295; 4763.0300; 9505.0324; 9505.0326; 9505.0327; 9505.3045; 9505.3050; 9505.3055; 9505.3060; 9505.3068; 9505.3070; 9505.3075; 9505.3080; 9505.3090; 9505.3095; 9505.3100; 9505.3105; 9505.3107; 9505.3110; 9505.3115; 9505.3120; 9505.3125; 9505.3130; 9505.3138; 9505.3139; 9505.3140; 9505.3680; 9505.3690; 9505.3700; 9545.2000; 9545.2010; 9545.2020; 9545.2030; 9545.2040; 9550.0010; 9550.0020; 9550.0030; 9550.0040; 9550.0050; 9550.0060; 9550.0070; 9550.0080; 9550.0090; 9550.0091; 9550.0092; 9550.0093.

Reported the same back with the following amendments:

Page 34, after line 28, insert:

"Sec. 40. Minnesota Statutes 2002, section 256J.31, subdivision 4, is amended to read:

Subd. 4. [PARTICIPANT'S RIGHT TO NOTICE.] A county agency must give a participant written notice of all adverse actions affecting the participant including payment reductions, suspensions, terminations, and use of protective, vendor, or two-party payments. The notice of adverse action must be on a form prescribed or approved by the commissioner, must be understandable at a seventh grade reading level, and must be mailed to the last known

mailing address provided by the participant. A notice written in English must include the department of human services language block and must be sent to every applicable participant. The county agency must state on the notice of adverse action the action it intends to take, the reasons for the action, the participant's right to appeal the action, the conditions under which assistance can be continued pending an appeal decision, and the related consequences of the action. A county agency shall combine the information required in this notice with the information required in a notice of intent to sanction under section 256J.57, subdivision 2."

Page 75, line 29, delete the first "educational" and insert "education"

Page 87, line 14, strike everything after "county"

Page 87, strike lines 15 to 18 and insert "shall combine the information required in this notice with the information required in a notice of adverse action under section 256J.31, subdivision 4."

Page 112, line 22, after the period, insert "In processing the combined application form, the county must follow section 256J.32, subdivision 1, except that the county agency shall not require additional verification of the information in the case file from the DWP application unless the information in the case file is inaccurate, questionable, or no longer current."

Page 113, line 8, delete "Within five" and insert "As soon as possible, but no later than ten"

Page 113, line 11, delete "and" and insert "shall provide the" and delete "shall" and insert "with an opportunity to"

Page 113, line 12, before "employment" insert "initial" in both places

Page 119, line 6, reinstate the stricken language and delete the period

Page 119, line 7, reinstate the stricken language and strike "2003" and insert "2007"

Page 119, lines 8 and 9, reinstate the stricken language

Page 120, delete section 2

Page 130, line 32, delete "ages up to" and insert "through age"

Page 131, lines 4 and 5, delete "January 1, 2004" and insert "July 1, 2005"

Page 135, after line 6, insert:

"Subd. 12. [EXPIRATION.] This section expires upon the effective date of an expanded prescription drug benefit under Medicare."

Page 136, after line 24, insert:

"Sec. 9. Minnesota Statutes 2002, section 256.955, is amended by adding a subdivision to read:

Subd. 10. [EXPIRATION.] This section expires upon the effective date of an expanded prescription drug benefit under Medicare."

Page 142, line 3, delete "up to" and insert "through"

Page 142, line 30, before the period, insert ", except that coverage shall not include payment for a nursing facility determined to be an institution for mental diseases"

Page 145, line 12, delete "Effective July 1, 2003,"

Page 153, lines 3 and 5, delete "its effective date" and insert "July 1, 2003,"

Page 158, lines 4 and 5, delete "its effective date" and insert "July 1, 2003,"

Page 158, line 6, delete "its effective date" and insert "July 1, 2003"

Page 160, line 20, delete "its effective date" and insert "July 1, 2003,"

Page 160, line 21, delete "its effective date" and insert "July 1, 2003"

Page 162, lines 12 and 14, delete "its effective date" and insert "July 1, 2003,"

Page 174, line 25, delete everything after "unless" and insert "authorized by the commissioner."

Page 175, line 29, delete "is" and insert "may be"

Page 176, line 4, strike "pharmacist" and insert "pharmacy"

Page 176, line 5, after the comma, insert "and consumer groups,"

Page 176, line 13, delete "and" and insert a comma

Page 176, line 14, before the period, insert ", and to carry out duties as described in subdivisions 13 to 13i and in section 151.21, subdivision 8"

Page 176, line 17, before the period, insert ". Committee members shall serve three-year terms and may be reappointed"

Page 181, delete lines 26 to 35

Page 181, line 36, delete "(c)" and insert "(b)"

Page 182, line 1, delete "nonpreferred" and after "drugs" insert "when used"

Page 182, line 3, delete "patients have" and insert "the patient has" and delete "prior to" and insert a period

Page 182, delete line 4

Page 182, line 5, delete everything before "All"

Page 182, lines 6 and 7, delete "must be accompanied by an ICD-9 code and"

Page 182, line 9, delete "(d)" and insert "(c)"

Page 182, delete lines 17 to 20 and insert:

"(d) The commissioner may require prior authorization for brand name drugs whenever a generically equivalent product is available, even if the prescriber specifically indicates "dispense as written-brand necessary" on the prescription as required by section 151.21, subdivision 2."

Page 182, line 21, after the headnote, insert "(a)"

Page 182, after line 35, insert:

"(b) A prescribing health care provider prescribing a pharmacological or nonpharmacological therapy under this subdivision that is less effective than another pharmacological or nonpharmacological therapy known to the prescriber, shall disclose to the patient that another, more effective, therapy exists and that the provider is statutorily required to prescribe the less effective treatment."

Page 183, delete lines 15 to 19

Page 183, line 20, delete "(d)" and insert "(c)"

Page 183, line 26, delete "(e)" and insert "(d)"

Page 183, line 31, delete "(f)" and insert "(e)"

Pages 183 to 185, delete section 34 and insert:

"Sec. 34. Minnesota Statutes 2002, section 256B.0625, subdivision 17, is amended to read:

Subd. 17. [TRANSPORTATION COSTS.] (a) Medical assistance covers transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by ~~nonambulatory~~ eligible persons in obtaining emergency or nonemergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. ~~For the purpose of this subdivision, a person who is incapable of transport by taxicab or bus shall be considered to be nonambulatory.~~

(b) Medical assistance covers special transportation, as defined in Minnesota Rules, part 9505.0315, subpart 1, item F, if the ~~provider receives and maintains a current physician's order by the recipient's attending physician certifying that the~~ recipient has a physical or mental impairment that would prohibit the recipient from safely accessing and using a bus, taxi, other commercial transportation, or private automobile. The commissioner may use an order by the recipient's attending physician to certify that the recipient requires special transportation services. Special transportation includes driver-assisted service to eligible individuals. Driver-assisted service includes passenger pickup at and return to the individual's residence or place of business, assistance with admittance of the individual to the medical facility, and assistance in passenger securement or in securing of wheelchairs or stretchers in the vehicle. ~~The commissioner shall establish maximum medical assistance reimbursement rates for special transportation services for persons who need a wheelchair accessible van or stretcher accessible vehicle and for those who do not need a wheelchair accessible van or stretcher accessible vehicle. The average of these two rates per trip must not exceed \$15 for the base rate and \$1.40 per mile. Special transportation provided to nonambulatory persons who do not need a wheelchair accessible van or stretcher accessible vehicle, may be reimbursed at a lower rate than special transportation provided to persons who need a wheelchair accessible van or stretcher accessible vehicle. Special transportation providers must obtain written documentation from the health care service provider who is serving the recipient being transported, identifying the time that the recipient arrived. Special transportation providers may not bill for separate base rates for the continuation of a trip beyond the original destination. Special~~

transportation providers must take recipients to the nearest appropriate health care provider, using the most direct route available. The maximum medical assistance reimbursement rates for special transportation services are:

(1) \$18 for the base rate and \$1.40 per mile for services to eligible persons who need a wheelchair-accessible van;

(2) \$12 for the base rate and \$1.40 per mile for services to eligible persons who do not need a wheelchair-accessible van; and

(3) for all trips, a base rate of \$36 and \$1.40 per mile, and an attendant rate of \$9 per trip, for eligible persons who need a stretcher-accessible vehicle."

Page 186, line 13, delete "physical therapist, occupational therapist,"

Page 186, line 14, delete "speech therapist,"

Page 186, line 20, after the period, insert "No co-payments shall apply to antipsychotic drugs when used for the treatment of mental illness."

Page 209, after line 26, insert:

"Sec. 53. Minnesota Statutes 2002, section 256B.195, subdivision 5, is amended to read:

Subd. 5. [INCLUSION OF FAIRVIEW UNIVERSITY MEDICAL CENTER.] (a) Upon federal approval of the ~~inclusion of Fairview University Medical Center in the nonstate government category~~ payments in paragraph (b), the commissioner shall establish an intergovernmental transfer with the University of Minnesota in an amount determined by the commissioner based on the ~~increase in the amount of~~ Medicare upper payment limit due solely to the inclusion of Fairview University Medical Center as a nonstate government hospital and limited available for nongovernment hospitals, adjusted by hospital-specific charge limits and the amount available under the hospital-specific disproportionate share limit.

(b) The commissioner shall increase payments for medical assistance admissions at Fairview University Medical Center by 71 percent of the transfer plus any federal matching payments on that amount, to increase payments for medical assistance admissions and to recognize higher medical assistance costs in institutions that provide high levels of charity care. From this payment, Fairview University Medical Center shall pay to the University of Minnesota the cost of the transfer, on the same day the payment is received. Eighteen percent of the transfer plus any federal matching payments shall be used as specified in subdivision 3, paragraph (b), clause (1). Payments under section 256.969, subdivision 26, may be increased above the 90 percent level specified in that subdivision within the limits of additional funding available under this subdivision. Eleven percent of the transfer shall be used to increase the grants under section 145.9268."

Page 216, delete section 60 and insert:

"Sec. 61. Minnesota Statutes 2002, section 256B.69, is amended by adding a subdivision to read:

Subd. 5i. [ACTUARIAL SOUNDNESS.] All payments made to managed care plans under the medical assistance program shall be actuarially sound pursuant to Code of Federal Regulations, title 42, section 438.6. In establishing payment rates for managed care plans under the medical assistance program, the commissioner must consider, to the extent this information is available, verifiable, and actuarially significant: (1) individual health plan annual financial performance for public programs; and (2) rate relationships and geographic payment relativities

based on actual health plan experience. The commissioner may recover any administrative costs related to implementing this subdivision by assessing managed care plans in proportion to their share of enrollees in the prepaid medical assistance program."

Page 223, line 36, delete "in effect on October 1, 2003" and insert ", using a six-month budget period"

Page 224, line 1, strike "Beginning January 1, 2000," and insert "General assistance medical care may not be paid for"

Page 224, line 3, strike the colon

Page 224, line 4, strike "(i)"

Page 224, line 6, strike "; or" and insert a period

Page 224, lines 7 to 13, delete the new language and strike the old language

Page 227, line 16, delete "for" and before the period, insert ", remains eligible through September 30, 2003"

Page 231, line 8, after the period, insert "In establishing payment rates for managed care plans under the prepaid general assistance medical care program, the commissioner must consider, to the extent this information is available, verifiable, and actuarially significant: (1) individual health plan annual financial performance for public programs; and (2) rate relationships and geographic payment relativities based on actual health plan experience. The commissioner may recover any administrative costs related to implementing this requirement, by assessing managed care plans in proportion to their share of enrollees in the prepaid general assistance medical care program."

Page 246, line 15, delete "or"

Page 250, delete section 85 and insert:

"Sec. 86. Minnesota Statutes 2002, section 256L.12, is amended by adding a subdivision to read:

Subd. 9b. [ACTUARIAL SOUNDNESS.] All payments made to managed care plans under the MinnesotaCare program shall be actuarially sound pursuant to Code of Federal Regulations, title 42, section 438.6. In establishing payment rates for managed care plans under the MinnesotaCare program, the commissioner must consider, to the extent this information is available, verifiable, and actuarially significant: (1) individual health plan annual financial performance for public programs; and (2) rate relationships and geographic payment relativities based on actual health plan experience. The commissioner may recover any administrative costs related to implementing this subdivision, by assessing managed care plans in proportion to their share of enrollees in the MinnesotaCare program."

Page 253, line 9, delete "2003" and insert "2004"

Page 254, delete section 90

Page 257, after line 17, insert:

"Sec. 92. Minnesota Statutes 2002, section 641.15, subdivision 2, is amended to read:

Subd. 2. [MEDICAL AID.] Except as provided in section 466.101, the county board shall pay the costs of medical services provided to prisoners. The amount paid by a county board for a medical service shall not exceed the maximum allowed medical assistance payment rate for the service, as determined by the commissioner of human

services. The county is entitled to reimbursement from the prisoner for payment of medical bills to the extent that the prisoner to whom the medical aid was provided has the ability to pay the bills. The prisoner shall, at a minimum, incur copayment obligations for health care services provided by a county correctional facility. The county board shall determine the copayment amount. Notwithstanding any law to the contrary, the copayment shall be deducted from any of the prisoner's funds held by the county, to the extent possible. If there is a disagreement between the county and a prisoner concerning the prisoner's ability to pay, the court with jurisdiction over the defendant shall determine the extent, if any, of the prisoner's ability to pay for the medical services. If a prisoner is covered by health or medical insurance or other health plan when medical services are provided, the county providing the medical services has a right of subrogation to be reimbursed by the insurance carrier for all sums spent by it for medical services to the prisoner that are covered by the policy of insurance or health plan, in accordance with the benefits, limitations, exclusions, provider restrictions, and other provisions of the policy or health plan. The county may maintain an action to enforce this subrogation right. The county does not have a right of subrogation against the medical assistance program or the general assistance medical care program."

Page 257, line 29, after the period, insert:

"The commissioner shall also request that the prescription drug discount program established under Minnesota Statutes, section 256.954, be included in the waiver to require manufacturer rebates and to reduce the administrative costs of the program to the state.

Sec. 94. [REPORT ON PRESCRIPTION DRUG PROGRAMS.]

The commissioner of human services shall report to the chairs and ranking minority members of the house and senate committees with jurisdiction over health and human services financing by November 1, 2004, on the status of the prescription drug discount program under Minnesota Statutes, section 256.954, and the prescription drug assistance program under Minnesota Statutes, section 256.975, subdivision 9. The report must:

(1) describe the status of the pharmacy plus waiver for Minnesota;

(2) evaluate the impact of the prescription drug assistance program on the prescription drug program and the prescription drug assistance program; and

(3) provide recommendations on the most efficient enrollment process for the prescription drug assistance program, considering state, county, or private options and the benefit of any automated enrollment systems under development by the commissioner."

Page 258, line 18, before the period, insert "through June 30, 2005, except for the purposes of checking for recipient eligibility, authorizing recipients for the appropriate level of transportation, and monitoring provider compliance with Minnesota Statutes, section 256B.0625, subdivision 17. This prohibition does not apply to the purchase or management of common carrier transportation"

Page 268, line 11, before the period, insert ": and this waiver is documented in the resident's care plan"

Pages 282 to 289, delete section 13

Page 321, lines 3 and 4, delete "or on behalf of"

Page 321, line 8, delete "or on behalf of"

Page 321, line 11, after the period, insert "Managed care plans paying for nursing home services under section 256B.69, subdivision 6a, may limit payment under this subdivision."

Page 321, line 29, after "2001" insert ", and before July 1, 2003"

Page 321, line 30, delete everything after "days" and insert "before July 30, 2003."

Page 323, after line 32, insert:

"Sec. 40. Minnesota Statutes 2002, section 256B.431, is amended by adding a subdivision to read:

Subd. 40. [DESIGNATION OF AREAS TO RECEIVE METROPOLITAN RATES.] (a) For rate years beginning on or after July 1, 2003, and subject to paragraph (b), nursing facilities located in areas designated as metropolitan areas by the federal Office of Management and Budget using census bureau data shall be considered metro, in order to:

(1) determine rate increases under this section, section 256B.434, or any other section; and

(2) establish nursing facility reimbursement rates for the new nursing facility reimbursement system developed under Laws 2002, chapter 220, article 14, section 19.

(b) Paragraph (a) applies only if designation as a metro facility results in a level of reimbursement that is higher than the level the facility would have received without application of that paragraph.

**[EFFECTIVE DATE.] This section is effective July 1, 2003.**"

Page 351, line 35, after "legislature" insert "by January 15, 2004,"

Page 352, line 11, after "legislature" insert "by January 15, 2004,"

Page 352, line 22, after the period, insert "The commissioner shall report to the legislature by January 15, 2004. The report must comply with Minnesota Statutes, sections 3.195 and 3.197."

Page 363, line 13, after "grant" insert ", except for individuals receiving consumer support grants before July 1, 2003, as long as other eligibility criteria are met"

Page 369, line 10, after "treatment" insert ", the Fairweather Lodge treatment model,"

Page 406, lines 18 and 19, delete ", with a population of 100,000 or more,"

Page 406, line 24, delete "with a population of less than 100,000"

Page 407, lines 3 and 4, delete "do not meet the criteria for a region or otherwise"

Page 411, line 3, delete "may" and insert "shall"

Page 411, line 36, after "following" insert "service" and delete "for service for eligible"

Page 412, line 1, delete "individuals"

Page 413, line 32, delete "For the 2004-2005 biennium," and delete "case"

Page 413, line 33, delete "management" and after "services" insert "authorized"

Page 414, delete section 57

Page 415, after line 27, insert:

"Sec. 61. [LICENSING CHANGE.]

Notwithstanding any law or rule to the contrary, the commissioner of human services shall allow an existing intermediate care facility for persons with mental retardation or related conditions located in Goodhue county serving 39 children to be converted to four separately licensed or certified cottages serving up to six children each."

Page 415, line 35, delete "sections" and insert "section"

Page 415, line 36, delete everything after the first "2"

Page 416, line 1, delete "256B.0955" and delete "are" and insert "is"

Page 420, line 28, delete "for adults"

Page 420, line 29, reinstate the stricken language and delete "section"

Page 420, line 30, reinstate the stricken language

Page 420, line 33, after "treatment" insert "for adults"

Page 420, line 34, before "Medical" insert "Effective July 1, 2004,"

Page 421, delete line 1

Page 439, line 23, after the first comma, insert "schools,"

Page 455, line 11, delete "7" and insert "256B.0943"

Page 459, after line 31, insert:

"Subd. 3. [CHILDREN'S SERVICES.] In developing the plan required under this section, a county shall endeavor, within the limits of funds available, to consider the continuing need for services and programs that were funded by the former children's services and community service grants."

Page 459, line 32, delete "3" and insert "4"

Page 460, line 2, delete "4" and insert "5"

Page 460, line 5, delete "5" and insert "6"

Page 461, line 5, after "million" insert "each year"

Page 461, line 22, delete "subdivisions" and insert "subdivision" and delete "and 2"

Page 462, line 24, after "of" insert "children and" and delete "social"

Page 464, delete lines 7 to 22

Page 498, line 14, delete "Notwithstanding paragraph (a)" and insert "Except as provided under subdivision 2"

Page 498, line 16, after the first comma, insert "family and group family child care"

Page 498, delete lines 28 to 31 and insert:

"(b) A county agency may charge a fee to a legal nonlicensed child care provider or applicant for authorization to recover the actual cost of background studies completed under section 119B.125, but in any case not to exceed \$100 annually."

Page 498, line 33, after "(a)" insert "or (b)"

Page 500, line 2, delete "300" and insert "200"

Page 500, line 3, delete "450" and insert "300"

Page 500, line 4, delete "600" and insert "400"

Page 500, line 5, delete "750" and insert "500"

Page 500, line 6, delete "900" and insert "600"

Page 500, line 7, delete "1,200" and insert "700"

Page 500, line 8, delete "1,400" and insert "900"

Page 500, line 9, delete "1,600" and insert "1,200"

Page 500, line 10, delete "1,800" and insert "1,400"

Page 500, line 11, delete "2,000" and insert "1,600"

Page 517, delete lines 26 to 28

Page 517, line 29, delete everything before the period and insert "The limitation on commitment in this paragraph does not apply if, based on clinical assessment, the court finds that it is unlikely that the person will remain in and cooperate with a medically appropriate course of treatment absent commitment and the standards for commitment are otherwise met"

Page 519, line 5, delete "intoxicated" and insert "a danger to themselves or others"

Page 546, line 25, after "infants" insert "(1)"

Page 546, line 27, before the period, insert "and (2) that the following options are available to them with respect to the testing:

(i) to decline to have the tests, or

(ii) to elect to have the tests but to require that all blood samples and records of test results be destroyed within 24 months of the testing"

Page 546, line 29, after "disorders" insert "or elect to require that blood samples and test results be destroyed" and after "objection" insert "or election"

Page 548, after line 10, insert:

"(1) notify the physicians of newborns tested of the results of the tests performed;"

Page 548, line 11, strike "(1)" and insert "(2)"

Page 548, line 17, strike "(2)" and insert "(3)"

Page 548, line 21, strike "(3)" and insert "(4)"

Pages 570 to 574, delete sections 31 to 34

Page 578, line 28, after the period, insert "Notwithstanding the repeal of section 62J.17, any prospective review imposed on a provider for violation of section 62J.17 shall continue until its scheduled expiration."

Page 602, after line 11, insert:

"Sec. 8. Minnesota Statutes 2002, section 119B.011, is amended by adding a subdivision to read:

Subd. 24. [UNSAFE CARE.] "Unsafe care" means any provider or care arrangement that meets any of the criteria listed in sections 119B.125, subdivision 2, 245A.04, subdivisions 3b and 3d, or any other conduct or condition determined to be injurious or potentially harmful to a child."

Page 603, line 19, delete "and all recertifications"

Page 603, line 36, after "(b)" insert "If a family did not use the universal application to apply for child care assistance, the family must complete the universal application at its next eligibility redetermination and the county must verify the factors listed in paragraph (a) as part of that redetermination. Once a family has completed a universal application, the county shall use the redetermination form described in paragraph (c) for that family's subsequent redeterminations." and delete "Each county" and insert:

"(c) The commissioner"

Page 607, line 29, delete "no greater" and insert "less"

Page 616, delete line 36

Page 617, delete lines 1 and 2

Page 626, line 21, delete "years 2003-2004" and insert "year 2003"

Page 626, line 22, delete "2003" and insert "2002"

Page 627, line 6, delete "2004" and insert "2005"

Page 627, line 26, delete "3.30" and insert "3.00"

Page 627, line 27, delete "5.10" and insert "4.25"

Page 627, line 28, delete "7.50" and insert "6.00"

Page 627, line 29, delete "7.70" and insert "8.00"

Page 627, line 30, delete "10.20" and insert "8.50"

Page 627, line 31, delete "10.40" and insert "9.00"

Page 627, line 32, delete "10.60" and insert "9.25"

Page 627, line 33, delete "10.80" and insert "9.50"

Page 627, line 34, delete "11.00" and insert "10.00"

Page 627, line 35, delete "12.00" and insert "10.25"

Page 627, line 36, delete "12.20" and insert "10.50"

Page 628, line 1, delete "12.40" and insert "10.75"

Page 628, line 2, delete "12.50" and insert "11.00"

Page 628, line 3, delete "12.70" and insert "11.25"

Page 628, line 4, delete "12.90" and insert "12.00"

Page 628, line 5, delete "13.10" and insert "12.50"

Page 628, after line 13, insert:

"A family's monthly co-payment fee is the fixed percentage established for the income range multiplied by the highest possible income within that income range."

Page 631, line 26, delete "267,349,000" and insert "267,482,000" and delete "267,037,000" and insert "267,161,000" and delete "534,386,000" and insert "534,643,000"

Page 631, line 37, delete "\$4,071,623,000" and insert "\$4,071,756,000" and delete "\$4,059,850,000" and insert "\$4,059,974,000"

Page 632, line 3, delete "261,349,000" and insert "261,482,000" and delete "261,037,000" and insert "261,161,000"

Page 636, delete lines 31 to 39

Page 642, delete lines 26 and 27

Page 642, line 28, delete "not exceed" and insert "home and community-based programs covered under Minnesota Statutes, section 256B.49, to assure a reduction in state spending that is equivalent to limiting the caseload growth of the TBI waiver to"

Page 646, line 20, delete "103,880,000" and insert "101,714,000" and delete "103,292,000" and insert "101,980,000"

Page 646, line 22, delete "58,727,000" and insert "56,561,000" and delete "58,402,000" and insert "57,090,000"

Page 647, after line 14, insert:

"[IGT MEDICARE UPPER PAYMENT LIMIT.] If variations in intergovernmental transfer revenue occur resulting from adjustments to medical assistance and general assistance medical care payments for inpatient and outpatient hospital services, then appropriations for community clinic grants and rural hospital capital improvement grants shall be adjusted accordingly."

Page 647, line 15, before "Family" insert "On June 30, 2005,"

Page 647, line 16, after "by" insert "\$4,478,000"

Page 647, delete lines 17 to 19

Page 647, line 20, delete everything before the period, and after the period, insert "Base level funding in each year of the fiscal year 2006-2007 biennium is \$2,618,000."

Page 647, line 24, delete "1,173,000" and insert "873,000" and delete "1,114,000" and insert "814,000"

Page 647, line 31, delete "\$4,000,000" and insert "\$3,000,000"

Page 647, line 33, after the period, insert "On July 1, 2004, the commissioner of finance shall transfer \$1,000,000 from the state government special revenue fund to the general fund."

Page 648, line 11, delete "special" and after "account" insert "in the special revenue fund"

Page 648, line 12, after the period, insert "In the event that the balance in the account is less than the appropriation, the appropriation is reduced accordingly."

Page 648, after line 20, insert:

"[STATE GOVERNMENT SPECIAL REVENUE FUND TRANSFERS.] On July 1, 2003, the commissioner of finance shall transfer \$4,000,000 from the state government special revenue fund to the general fund."

Page 648, line 56, delete "\$7,500,000" and insert "\$3,500,000"

Page 650, line 12, delete "\$127,638,000" and insert "\$122,906,000" and delete "\$119,813,000" and insert "\$117,307,000"

Page 650, line 14, delete "100,114,000" and insert "95,431,000" and delete "97,992,000" and insert "93,318,000"

Page 650, line 15, delete "24,002,000" and insert "24,135,000" and delete "20,525,000" and insert "20,649,000"

Page 650, line 20, delete "\$25,407,000" and insert "\$23,561,000"

Page 650, line 21, delete "\$20,821,000" and insert "\$18,984,000"

Page 650, line 27, delete "\$69,589,000" and insert "\$66,752,000"

Page 650, line 28, delete "\$70,253,000" and insert "\$67,416,000"

Page 650, delete lines 43 to 53

Page 651, delete lines 1 to 14

Page 651, line 15, delete "Support" and insert "Care Assistance Special Revenue Account"

Page 651, line 16, delete "Support" and insert "Care Assistance"

Page 651, after line 17, insert:

"[CHILD SUPPORT SPECIAL REVENUE ACCOUNT.] Appropriations and transfers in this subdivision are from the child support collection payments in the special revenue fund, pursuant to Minnesota Statutes, section 119B.074. The sums indicated are appropriated to the department of children, families, and learning for the fiscal years designated."

Page 651, after line 23, insert:

"[SPECIAL REVENUE ACCOUNT UNOBLIGATED FUND TRANSFER.] On July 1, 2003, the commissioner of finance shall transfer \$1,800,000 from the special revenue fund to the general fund."

Page 651, line 24, delete "Basic Sliding Fee and"

Page 651, line 25, delete "Development" and insert "Assistance TANF Funds"

Page 651, line 40, delete "\$17,686,000" and insert "\$17,819,000"

Page 651, line 41, delete "\$17,700,000" and insert "\$17,824,000"

Page 651, after line 52, insert:

"Subd. 5. Self-Sufficiency Programs

General	5,378,000	5,378,000
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[MINNESOTA ECONOMIC OPPORTUNITY GRANTS.] Of this appropriation, \$4,000,000 in fiscal year 2004 and \$4,000,000 in fiscal year 2005 are for Minnesota economic opportunity grants.

[FOOD SHELF PROGRAMS.] Of this appropriation, \$1,278,000 in fiscal year 2004 and \$1,278,000 in fiscal year 2005 are for food shelf programs under Minnesota Statutes, section 119A.44.

[LEAD ABATEMENT.] Of this appropriation, \$100,000 in fiscal year 2004 and \$100,000 in fiscal year 2005 are for lead abatement according to Minnesota Statutes, section 119A.46. Any balance in the first year does not cancel but is available in the second year."

Adjust the totals accordingly

Renumber the sections in sequence

Amend the title as follows:

Page 2, line 12, delete "a subdivision" and insert "subdivisions"

Page 2, line 33, delete "1, 3,"

Page 2, line 52, after the semicolon, insert "256J.31, subdivision 4;"

Page 3, line 3, delete "295.58;"

Page 3, line 7, after the semicolon, insert "641.15, subdivision 2;"

Page 3, line 11, delete "151;"

Page 3, line 33, delete everything after the first semicolon

Page 3, line 34, delete everything before "256B.195,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Harder from the Committee on Agriculture and Rural Development Finance to which was referred:

H. F. No. 1090, A bill for an act relating to agriculture; recodifying and clarifying plant pest, pest control, and seed laws; changing certain procedures, requirements, and fees; imposing penalties; appropriating money; amending Minnesota Statutes 2002, sections 21.81, subdivision 8, by adding subdivisions; 21.82; 21.83, subdivision 2; 21.84; 21.85, subdivisions 11, 13; 21.86; 21.88; 21.89, subdivisions 2, 4; 21.90, subdivisions 2, 3; 21.901; proposing coding for new law in Minnesota Statutes, chapter 21; proposing coding for new law as Minnesota Statutes, chapters 18G; 18H; 18J; repealing Minnesota Statutes 2002, sections 18.012; 18.021; 18.022; 18.0223; 18.0225; 18.0227; 18.0228; 18.0229; 18.023; 18.024; 18.041; 18.051; 18.061; 18.071; 18.081; 18.091; 18.101; 18.111; 18.121; 18.131; 18.141; 18.151; 18.161; 18.331; 18.332; 18.333; 18.334; 18.335; 18.44; 18.45; 18.46; 18.47; 18.48; 18.49; 18.50; 18.51; 18.52; 18.525; 18.53; 18.54; 18.55; 18.56; 18.57; 18.59; 18.60; 18.61; 21.85, subdivisions 1, 3, 4, 5, 6, 7, 8, 9.

Reported the same back with the following amendments:

Page 2, delete lines 5 to 17

Page 2, delete lines 23 and 24

Page 3, delete lines 2 and 3 and insert:

"Subd. 6. [COMPLIANCE AGREEMENT.] "Compliance agreement" means a written agreement between a person and a regulatory agency to achieve compliance with regulatory requirements."

Page 3, delete lines 6 to 10 and insert:

"Subd. 8. [DEPARTMENT.] "Department" means the department of agriculture."

Page 3, delete lines 15 to 20

Page 3, delete lines 30 to 32

Page 4, delete lines 12 to 16

Page 4, delete lines 23 to 34 and insert:

"Subd. 17. [NURSERY STOCK.] "Nursery stock" means a plant intended for planting or propagation, including, but not limited to, trees, shrubs, vines, perennials, biennials, grafts, cuttings, and buds that may be sold for propagation, whether cultivated or wild, and all viable parts of these plants. Nursery stock does not include:

(1) field and forage crops;

(2) the seeds of grasses, cereal grains, vegetable crops, and flowers;

(3) vegetable plants, bulbs, or tubers;

(4) cut flowers, unless stems or other portions are intended for propagation;

(5) annuals; or

(6) Christmas trees."

Page 5, delete lines 16 to 21

Page 5, delete lines 30 to 33

Page 6, after line 26, insert:

"Subd. 29. [REGULATED NONQUARANTINE PEST.] "Regulated nonquarantine pest" means a plant pest that has not been quarantined by state or federal agencies and whose presence in plants or articles may pose an unacceptable risk to nursery stock, other plants, the environment, or human activities."

Page 6, delete lines 31 to 36

Page 7, delete lines 1 and 2

Renumber the subdivisions in sequence

Page 7, line 34, delete "county in which the" and delete "is located"

Page 8, line 1, delete ", who shall" and insert a period

Page 8, delete lines 2 to 9 and insert "The county auditor shall place a lien in favor of the commissioner against the land involved, certified by the county auditor and collected according to section 429.101."

Page 8, line 30, delete "person."

Page 12, delete lines 14 to 20

Page 12, line 21, delete "Subd. 2." and insert "Subdivision 1." and delete "may" and insert "shall"

Page 12, line 33, delete "3" and insert "2"

Page 13, line 24, delete "Minnesota" and insert "this state"

Page 13, lines 25 and 26, delete "labeling and shipping protocols must be as specified by the commissioner" and insert "the commissioner shall specify labeling and shipping protocols"

Page 13, line 29, delete everything after the headnote

Page 13, delete lines 30 to 32

Page 13, line 33, delete "country or state."

Page 14, line 1, delete "PLANT PROTECTION ACCOUNT" and insert "DISPOSITION AND USE OF MONEY RECEIVED" and delete "A plant protection"

Page 14, line 2, delete "account is established in the state treasury." and after "fees" insert "and penalties"

Page 14, line 3, delete "section" and insert "chapter and interest attributable to the money in the account"

Page 14, line 4, delete "plant protection" and insert "nursery and phytosanitary" and after "account" insert "in the agricultural fund"

Page 14, line 5, delete "this" and insert "the" and after "account" insert ", including interest earned," and delete "to pay costs" and insert "for"

Page 14, delete lines 6 to 8

Page 14, line 9, after "the" insert "administration and" and delete "must be deposited in the plant"

Page 14, line 10, delete "protection account"

Page 14, lines 16, 23, and 27, after "phytosanitary" insert "certificate"

Page 14, line 19, after "phytosanitary" insert "certificates"

Page 15, lines 2 and 9, after "phytosanitary" insert "certificate"

Page 16, line 19, delete "plant" and insert "nursery"

Page 16, line 20, delete "protection" and insert "and phytosanitary"

Page 29, line 1, delete "in Laws 1975, chapter 253"

Page 30, line 9, delete "with the approval"

Page 30, line 10, delete "of the 1979 application"

Page 31, line 30, delete "plant protection" and insert "nursery and phytosanitary"

Page 33, delete lines 7 to 10

Page 33, line 11, delete "15" and insert "14"

Page 33, line 12, delete "After December 31, 1981,"

Page 33, after line 23, insert:

"Subd. 15. [CERTAIN SPECIES NOT SUBJECT TO CHAPTER 18G.] Chapter 18G does not apply to exotic aquatic plants and wild animal species regulated under chapter 84D."

Page 33, delete lines 26 to 36

Page 34, delete lines 1 and 2

Page 34, delete lines 13 to 18

Page 35, delete lines 1 to 3

Page 35, delete lines 12 to 15

Page 35, delete lines 25 to 36

Page 36, delete lines 1 to 3

Page 36, delete lines 19 to 23

Page 36, delete lines 30 to 34

Page 37, line 13, delete "\$1,000" and insert "\$2,000"

Page 39, line 7, delete "human activity,"

Page 39, line 13, delete everything before "may" and insert "plants or articles"

Page 39, delete lines 18 and 19

Page 39, delete lines 27 and 28

Renumber the subdivisions in sequence

Page 40, line 29, delete ", who shall" and insert a period

Page 40, delete lines 30 to 36 and insert "The county auditor shall place a lien in favor of the commissioner against the land involved, certified by the county auditor and collected according to section 429.101."

Page 43, line 13, before "HOBBYIST" insert "NURSERY"

Page 48, line 19, delete "A person receiving a"

Page 48, delete lines 20 to 25

Page 51, delete lines 9 and 10

Renumber the remaining clauses in sequence

Page 51, line 19, delete "AND"

Page 51, line 20, delete "RECIPROCAL AGREEMENTS"

Page 51, line 21, delete everything before "A"

Page 51, delete lines 24 to 34

Page 51, line 35, delete "DISPOSITION AND USE OF MONEY RECEIVED" and insert "NURSERY AND PHYTOSANITARY ACCOUNT"

Page 51, line 36, delete "Minnesota" and delete "program" and insert "and phytosanitary"

Page 52, line 1, delete "agricultural fund in the" and delete "All payments" and insert "The fees"

Page 52, delete lines 2 to 4 and insert "penalties collected under this chapter and interest attributable to money in the account must be deposited in the state treasury and credited to the nursery and phytosanitary account. Money in the"

Page 52, line 5, after "account" insert ", including interest earned," and delete the second "to" and insert "for the"

Page 52, line 6, delete "administer" and insert "administration" and delete "enforce" and insert "enforcement of"

Page 52, line 10, before "any" insert "or"

Page 52, line 11, after "family," insert "any gentian (Gentiana), arbutus (epigaea repens), lily (Lilium), coneflower (Echinacea), bloodroot (Sanguinaria Canadensis), mayapple (Podophyllum peltatum),"

Page 53, delete section 5

Pages 53 and 54, delete section 7

Pages 54 and 55, delete section 11

Page 75, line 5, delete "section" and insert "sections"

Page 75, line 6, after "article," insert "and 21.90,"

Page 81, line 22, delete "plant protection,"

Page 81, line 23, delete the comma and insert "and phytosanitary"

Page 82, line 27, after "sections" insert "17.23;"

Page 82, line 33, delete "and" and before the comma, insert "; and 18.85; and Minnesota Rules, part 1510.0281"

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 13, after "sections" insert "17.23;"

Page 1, line 20, before "21.85" insert "18.85;"

Page 1, line 21, before the period, insert "; 21.90; Minnesota Rules, part 1510.0281"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Harder from the Committee on Agriculture and Rural Development Finance to which was referred:

H. F. No. 1515, A bill for an act relating to energy; enacting the Renewable Energy for a New Economic Development Horizon Act; imposing a renewable energy standard and a renewable energy objective; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 2002, section 216B.1691.

Reported the same back with the following amendments:

Page 1, line 23, before "hydroelectric" insert "low head" and delete "refuse-derived fuel:"

Page 1, line 24, before "municipal" insert "mixed" and after "waste" insert "; including refuse-derived fuel"

Page 2, line 15, delete "2002" and insert "2000" and delete "2002" and insert "2000"

Page 2, line 17, delete "2002" and insert "2000"

Page 2, line 18, before the period, insert "; excluding electricity generated by renewable energy facilities mandated by Laws 1994, chapter 641, or ordered by the commission pursuant to that chapter"

Page 2, line 25, delete "electric" and insert "electricity"

Page 2, line 32, delete "2002" and insert "2000"

Page 3, lines 1, 3, 5, 7, 9, 11, 13, 15, 17, and 19, delete "2002" and insert "2000"

Page 4, lines 1, 6, 8, 10, 12, 14, 16, 18, 20, 22, and 24, delete "2002" and insert "2000"

Page 5, after line 12, insert:

"(d) Of the renewable energy objective under this subdivision, at least but no more than one-half percent by 2005 and one percent by 2010 must be electricity from the combustion of biomass, or mixed municipal solid waste, including refuse-derived fuel. Electricity generated by an electric generation facility using mixed municipal solid waste, including refuse-derived fuel, as a primary fuel that has a power sales agreement in effect on the effective date of this act that terminates after December 31, 2010, does not count towards an electricity supplier's obligation under subdivision 1 or objective under this subdivision unless the power sales agreement provides for rate adjustment in the event the facility qualifies as a renewable energy source.

(e) The renewable energy that an electricity supplier counts toward its obligation under subdivision 1 also counts toward the electricity supplier's objective under this subdivision."

Page 5, lines 15 and 17, delete "section" and insert "act"

Page 5, line 19, delete "electric" and insert "electricity"

Page 5, line 22, after the period, insert "The commission may exclude from an electricity supplier's total annual sales of electricity the annual sales of electricity to an industry that the commission finds is under significant competitive or economic pressures, for purposes of calculating that supplier's obligations under section 216B.1686."

Page 5, line 23, delete "subdivision" and insert "act"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Regulated Industries.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 437 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jacobson; Lenczewski; Erhardt; Krinkie; Buesgens; Johnson, J., and Anderson, B., introduced:

H. F. No. 1590, A bill for an act relating to taxation; prohibiting increases in property tax rates for taxes payable in 2004 and 2005 unless approved by referendum; amending Minnesota Statutes 2002, section 275.025, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Howes and Dill introduced:

H. F. No. 1591, A bill for an act relating to natural resources; modifying provisions for renewal of game and fish agent license agreements.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy.

Westrom, Fuller, Finstad, Swenson, Urdahl, Heidgerken, Dorman, Erickson, Nornes, Howes and Lanning introduced:

H. F. No. 1592, A bill for an act relating to property tax refunds; modifying the schedule for homeowners and renters; changing definitions; amending Minnesota Statutes 2002, sections 290A.03, subdivisions 11, 13; 290A.04, subdivisions 2, 2a, 4.

The bill was read for the first time and referred to the Committee on Taxes.

Strachan; Blaine; Murphy; Heidgerken; Nelson, C., and Paymar introduced:

H. F. No. 1593, A bill for an act relating to animals; imposing limits on ownership and possession of certain dangerous animals; requiring registration; providing criminal penalties; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Paulsen moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

There being no objection, the order of business reverted to Reports of Standing Committees.

### **REPORTS OF STANDING COMMITTEES**

Knoblach from the Committee on Ways and Means to which was referred:

H. F. No. 749, A bill for an act relating to state government; appropriating money for the general legislative and administrative expenses of state government; modifying provisions related to state government operations; requiring certain contractor bonding; requiring licensure of certain gambling equipment salespersons; modifying fee provisions and providing for disposition of various fees and other revenue; modifying provisions of various state boards and commissions; modifying provisions relating to state debt collection; authorizing rulemaking; providing for a license fee for fireworks retailers; requiring studies; modifying lawful gambling provisions; amending Minnesota Statutes 2002, sections 3.099, subdivision 3; 3.885, subdivision 1; 3.971, subdivision 2; 6.48; 6.49; 6.54; 6.55; 6.64; 6.65; 6.66; 6.67; 6.68, subdivision 1; 6.70; 6.71; 6.74; 8.06; 10A.02, by adding subdivisions; 10A.04, subdivisions 2, 4, by adding a subdivision; 10A.09, subdivision 6, by adding a subdivision; 10A.31, subdivision 4;

14.48, by adding a subdivision; 15.50, subdivision 1; 16A.11, subdivision 3; 16A.17, by adding a subdivision; 16A.40; 16A.501; 16A.642, subdivision 1; 16B.24, subdivision 5; 16B.35, subdivision 1; 16B.465, subdivisions 1a, 7; 16B.47; 16B.48, subdivision 2; 16B.49; 16B.58, by adding a subdivision; 16C.05, subdivision 2; 16C.08, subdivisions 2, 3, 4, by adding a subdivision; 16C.09; 16C.10, subdivision 7; 16D.08, subdivision 2; 16D.10; 16E.01, subdivision 3; 16E.07, subdivision 9; 16E.09, subdivision 1; 69.772, subdivision 2; 115A.929; 116J.8771; 136F.77, subdivision 3; 179A.03, subdivision 7; 192.501, subdivision 2; 197.608; 240.03; 240.10; 240.15, subdivision 6; 240.155, subdivision 1; 240A.03, subdivisions 10, 15; 240A.04; 240A.06, subdivision 1; 256B.435, subdivision 2a; 268.186; 270.052; 270.44; 270A.07, subdivision 1; 306.95; 349.12, subdivisions 4, 18, 25, by adding subdivisions; 349.151, subdivisions 4, 4b; 349.153; 349.155, subdivision 3; 349.16, subdivision 6; 349.161, subdivisions 1, 4, 5; 349.162, subdivision 1; 349.163, subdivisions 2, 3, 6; 349.164, subdivision 4; 349.165, subdivision 3; 349.166, subdivisions 1, 2; 349.167, subdivision 6; 349.17, subdivisions 3, 6, 7, by adding a subdivision; 349.18, subdivision 1; 349.19, by adding a subdivision; 349.191, subdivisions 1, 1a; 349.211, subdivision 1, by adding a subdivision; 349A.08, subdivision 5; 352D.04, by adding a subdivision; 356.611, subdivision 1; 458D.17, subdivision 5; 471.696; 471.999; 474A.21; 477A.014, subdivision 4; 624.20, subdivision 1; Laws 1998, chapter 366, section 80, as amended; proposing coding for new law in Minnesota Statutes, chapters 3A; 6; 10A; 15A; 16C; 43A; 326; 349; repealing Minnesota Statutes 2002, sections 3.305, subdivision 5; 3.9222; 3.971, subdivision 8; 3A.11; 4A.055; 6.77; 12.221, subdivision 5; 16A.151, subdivision 5; 16A.87; 16B.50; 16C.07; 43A.04, subdivision 10; 43A.047; 43A.17, subdivision 9; 149A.97, subdivision 8; 163.10; 240A.08; 306.97; Minnesota Rules, part 1950.1070.

Reported the same back with the following amendments:

Page 2, delete lines 36 and 37 and insert:

"Environmental	520,000	436,000	956,000
Remediation	484,000	484,000	968,000"

Page 3, after line 14, insert:

"Subd. 4. Limit on Expenses

Notwithstanding any law to the contrary, during the biennium ending June 30, 2005:

(1) the house of representatives and the senate may not pay per diem living expenses to a member in an amount more than \$56; and

(2) the house of representatives and the senate may not reimburse a member for monthly housing expenses incurred for more than six months in a calendar year."

Page 3, line 15, delete "4" and insert "5"

Page 4, line 4, delete "Solid Waste" and insert "Remediation"

Page 4, after line 21, insert:

"\$100,000 the first year and \$100,000 the second year are for a grant to the Northern Counties Land Use Coordinating Board for purposes of the pilot project established in Laws 2002, chapter 373, section 33. The pilot project is extended until June 30, 2005."

Page 6, delete lines 27 and 28 and insert:

"Environmental            375,000                    291,000"

Page 6, delete lines 39 and 40 and insert:

"Environmental            375,000                    291,000"

Page 10, lines 3 and 4, delete "and with the chancellor of the Minnesota state colleges and universities"

Page 10, line 6, delete "and by" and insert "other than"

Page 10, lines 10 and 11, delete "and with the chancellor of the Minnesota state colleges and universities"

Page 10, line 13, delete "and by" and insert "other than"

Page 10, line 16, before the period, insert "other than the Minnesota state colleges and universities"

Page 10, line 31, delete "and to" and insert "other than"

Page 11, line 6, delete the first "and" and insert "other than"

Page 11, lines 14 and 15, delete "and with the chancellor of the Minnesota state colleges and universities"

Page 11, line 17, delete "and by" and insert "other than"

Page 11, line 36, delete "and to" and insert "other than"

Page 12, line 10, delete "and" and insert "other than"

Page 12, line 35, after the period, insert "This section does not apply to the Minnesota state colleges and universities."

Page 13, line 2, before "including" insert "not"

Page 13, line 4, delete "\$50,500,000" and insert "\$46,240,000"

Page 13, line 8, delete "and to" and insert ", not including" and after "universities" insert a comma

Page 13, line 10, delete "\$50,500,000" and insert "\$46,240,000"

Page 13, line 15, delete "\$3,430,000" and insert "\$5,505,000"

Page 13, line 20, delete "without" and insert "by only"

Page 13, line 25, after "subdivision 3," insert "or other law to the contrary,"

Page 13, line 34, delete "\$3,430,000" and insert "\$5,505,000"

Page 14, after line 1, insert:

"Subd. 3. [STATE LAND SALES FOR CONSIDERATION.] Based on the inventory of state-owned land under Laws 2002, chapter 393, section 36, the commissioner of administration with the cooperation of the responsible agency head may consider the following for sale under this section:

(1) the BCA property at 1246 University Avenue in St. Paul with a public use classification of "to be determined"; and

(2) other land identified as surplus in the inventory of state-owned land.

Subd. 4. [SALE OF STATE LANDS REVOLVING LOAN FUND.] \$180,075 is appropriated from the general fund in fiscal year 2004 to the commissioner of administration for purposes of paying the actual expenses of selling state-owned lands to achieve the anticipated savings required in this section. From the gross proceeds of land sales under this section, the commissioner of administration must cancel the amount of the appropriation in this subdivision to the general fund by June 30, 2005."

Page 14, after line 21, insert:

"Sec. 34. [LOTTERY.]

The director of the state lottery shall implement an international game and a new lotto game, or take other steps necessary to raise general fund revenue during the biennium ending June 30, 2005, of at least \$5,880,000 more than the general fund revenue forecast in the governor's budget proposal for the biennium ending June 30, 2005."

Pages 14 and 15, delete section 1

Page 16, line 27, delete "specific"

Page 16, line 29, delete "to resolve the specified issues or questions" and insert "as the state auditor deems in the public interest"

Page 23, line 13, after the comma, insert "the Minnesota Municipal Utilities Association,"

Page 25, line 2, delete "May 30" and insert "June 15"

Page 25, line 34, delete "May 30" and insert "June 15"

Page 26, line 12, delete "\$225" and insert "\$400"

Page 27, line 2, delete "\$60" and insert "\$65"

Page 27, line 6, delete "(a)"

Page 27, delete lines 13 to 16

Page 27, line 22, delete "\$500" and insert "\$600"

Page 27, line 24, delete "\$350" and insert "\$300"

Page 27, line 26, delete the semicolon and insert a period

Page 27, delete lines 27 to 35

Page 27, line 36, delete "4" and insert "3" and after the second comma, insert "and"

Page 28, lines 1 and 2, delete ", political committees, political funds, and party units"

Page 28, after line 20, insert:

"Sec. 30. Minnesota Statutes 2002, section 14.091, is amended to read:

14.091 [PETITION; UNIT OF LOCAL GOVERNMENT.]

(a) The elected governing body of a statutory or home rule city, a county, or a sanitary district may petition for amendment or repeal of a rule or a specified portion of a rule. The petition must be adopted by resolution of the elected governing body and must be submitted in writing to the agency and to the office of administrative hearings, must specify what amendment or repeal is requested, and must demonstrate that one of the following has become available since the adoption of the rule in question:

- (1) significant new evidence relating to the need for or reasonableness of the rule; or
- (2) less costly or intrusive methods of achieving the purpose of the rule.

(b) Within 30 days of receiving a petition, an agency shall reply to the petitioner in writing stating either that the agency, within 90 days of the date of the reply, will give notice under section 14.389 of intent to adopt the amendment or repeal requested by the petitioner or that the agency does not intend to amend or repeal the rule and has requested the office of administrative hearings to review the petition. If the agency intends to amend or repeal the rule in the manner requested by the petitioner, the agency must use the process under section 14.389 to amend or repeal the rule. Section 14.389, subdivision 5, applies.

(c) Upon receipt of an agency request under paragraph (b), the chief administrative law judge shall assign an administrative law judge, who was not involved when the rule or portion of a rule that is the subject of the petition was adopted or amended, to review the petition to determine whether the petitioner has complied with the requirements of paragraph (a). The petitioner, the agency, or any interested person, at the option of any of them, may submit written material for the assigned administrative law judge's consideration within ten days of the chief administrative law judge's receipt of the agency request. The administrative law judge shall dismiss the petition if the judge determines that:

- (1) the petitioner has not complied with the requirements of paragraph (a);
- (2) the rule is required to comply with a court order; or
- (3) the rule is required by federal law or is required to maintain authority to administer a federal program.

(d) If the administrative law judge assigned by the chief administrative law judge determines that the petitioner has complied with the requirements of paragraph (a), the administrative law judge shall conduct a hearing and issue a decision on the petition within 120 days of its receipt by the office of administrative hearings. The agency shall give notice of the hearing in the same manner required for notice of a proposed rule hearing under section 14.14, subdivision 1a. At the public hearing, the agency shall make an affirmative presentation of facts establishing the need for and reasonableness of the rule or portion of the rule in question. If the administrative law judge determines that the agency has not established the continued need for and reasonableness of the rule or portion of the rule, the rule or portion of the rule does not have the force of law, effective 90 days after the administrative law judge's decision, unless the agency has before then published notice in the State Register of intent to amend or repeal the rule in accordance with paragraph (e).

(e) The agency may amend or repeal the rule in the manner requested by the petitioner, or in another manner that the administrative law judge has determined is needed and reasonable. Amendments under this paragraph may be adopted under the expedited process in section 14.389. Section 14.389, subdivision 5, applies to this adoption. If the agency uses the expedited process and no public hearing is required, the agency must complete the amendment or repeal of the rule within 90 days of the administrative law judge's decision under paragraph (d). If a public hearing is required, the agency must complete the amendment or repeal of the rule within 180 days of the administrative law judge's decision under paragraph (d). A rule or portion of a rule that is not amended or repealed in the time prescribed by this paragraph does not have the force of law upon expiration of the deadline. A rule that is amended within the time prescribed in this paragraph has the force of law, as amended.

(f) The chief administrative law judge shall report the decision under paragraph (d) within 30 days to the chairs of the house and senate committees having jurisdiction over governmental operations and the chairs of the house and senate committees having jurisdiction over the agency whose rule or portion of a rule was the subject of the petition.

(g) The chief administrative law judge shall assess a petitioner half the cost of processing a petition and conducting a public hearing under paragraph (d).

~~(h) This section expires July 31, 2006."~~

Pages 29 and 30, delete section 31 and insert:

"Sec. 31. Minnesota Statutes 2002, section 15.50, subdivision 1, as amended by Laws 2003, chapter 17, section 1, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP, APPOINTERS; OATH QUALIFIES.] (a) The capitol area architectural and planning board, called the board or the CAAPB in this chapter, is established within the department of administration. The board has ten members.

(b) The lieutenant governor is a member.

(c) The governor must appoint four members.

(d) The mayor of St. Paul must appoint three members with the advice and consent of the city council. One of the mayor's appointees must be a resident of the planning council district that includes the capitol area.

(e) The speaker of the house must appoint a member of the house of representatives and the president of the senate must appoint a senator.

(f) Each appointee must qualify by taking the oath of office.

Sec. 32. Minnesota Statutes 2002, section 15.50, subdivision 1, as amended by Laws 2003, chapter 17, section 1, subdivision 4, is amended to read:

Subd. 4. [EXECUTIVE SECRETARY, CLASSIFIED PERSONNEL, CONTRACTORS.] (a) The commissioner of administration, after consulting with the board, must appoint an executive secretary to serve the board.

(b) The ~~board~~ commissioner may employ any other officers and employees ~~if~~ the commissioner considers necessary. Those employed under this paragraph are in the state classified civil service.

(c) The board may contract for professional and other similar services on the terms it considers desirable.

(d) The commissioner must provide administrative support to the board."

Page 31, after line 30, insert:

"Sec. 33. Minnesota Statutes 2002, section 16A.102, subdivision 1, is amended to read:

Subdivision 1. [GOVERNOR'S RECOMMENDATION.] By the ~~fourth Tuesday in January of each odd-numbered year~~ date specified in section 16A.11, subdivision 1, for submission of parts one and two of the governor's budget, the governor shall submit to the legislature a recommended revenue target for the next two bienniums. The recommended revenue target must specify:

(1) the maximum share of Minnesota personal income to be collected in taxes and other revenues to pay for state and local government services;

(2) the division of the share between state and local government revenues; and

(3) the mix and rates of income, sales, and other state and local taxes including property taxes and other revenues.

The recommendations must be based on the November forecast prepared under section 16A.103."

Page 34, after line 19, insert:

"Sec. 38. Minnesota Statutes 2002, section 16B.054, is amended to read:

16B.054 [DEVELOPMENTAL DISABILITIES.]

The department of administration is designated as the responsible agency to assist the Minnesota governor's council on developmental disabilities in carrying out all responsibilities under ~~United States Code, title 42, section 6021 et seq.~~ the Developmental Disabilities Assistance and Bill of Rights Act of 2000, also known as United States Code, title 42, sections 15001 to 15115, and Public Law 106-402 (October 30, 2000, 106th Congress), as well as those responsibilities relating to the program which are not delegated to the council.

Sec. 39. Minnesota Statutes 2002, section 16B.24, subdivision 1, is amended to read:

Subdivision 1. [OPERATION AND MAINTENANCE OF BUILDINGS.] The commissioner is authorized to maintain and operate the state capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the capitol area architectural and planning board and the commissioner under section 15.50, subdivision 2, clause (j), and all other buildings, cafeterias, and grounds in state-owned buildings in the capitol area under section 15.50, subdivision 2, clause (a), the state department of public safety, bureau of criminal apprehension building in St. Paul, the state department of health building in Minneapolis, ~~the Duluth government services center in Duluth~~, 321 Grove Street buildings in St. Paul, any other properties acquired by the department of administration, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the capitol and state buildings to make an equitable division of available space among agencies. The commissioner shall regularly update the long-range strategic plan for locating agencies and shall follow the plan in assigning and reassigning space to agencies. The plan must include locational and urban design criteria, a cost-analysis method to be used in weighing state ownership against leasing of space in specific instances, and a transportation management plan. If the commissioner determines that a deviation from the plan is necessary or desirable in a specific instance, the commissioner shall provide the legislature with a timely written explanation of the reasons for the deviation. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency."

Page 35, line 19, strike "the Duluth government center,"

Page 36, after line 7, insert:

"Sec. 41. Minnesota Statutes 2002, section 16B.33, subdivision 3, is amended to read:

Subd. 3. [AGENCIES MUST REQUEST DESIGNER.] (a) [APPLICATION.] Upon undertaking a project with an estimated cost greater than ~~\$750,000~~ \$2,000,000 or a planning project with estimated fees greater than ~~\$60,000~~ \$200,000, every user agency, except the capitol area architectural and planning board, shall submit a written request for a primary designer for its project to the commissioner, who shall forward the request to the board. The University of Minnesota and the Minnesota state colleges and universities shall follow the process in subdivision 3a to select designers for their projects. The written request must include a description of the project, the estimated cost of completing the project, a description of any special requirements or unique features of the proposed project, and other information which will assist the board in carrying out its duties and responsibilities set forth in this section.

(b) [REACTIVATED PROJECT.] If a project for which a designer has been selected by the board becomes inactive, lapses, or changes as a result of project phasing, insufficient appropriations, or other reasons, the commissioner, the Minnesota state colleges and universities, or the University of Minnesota may, if the project is reactivated, retain the same designer to complete the project.

(c) [FEE LIMIT REACHED AFTER DESIGNER SELECTED.] If a project initially estimated to be below the cost and planning fee limits of this subdivision has its cost or planning fees revised so that the limits are exceeded, the project must be referred to the board for designer selection even if a primary designer has already been selected. In this event, the board may, without conducting interviews, elect to retain the previously selected designer if it determines that the interests of the state are best served by that decision and shall notify the commissioner of its determination."

Page 40, after line 10, insert:

"Sec. 49. Minnesota Statutes 2002, section 16B.61, subdivision 1a, is amended to read:

Subd. 1a. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer and enforce the State Building Code as a municipality with respect to public buildings and state licensed facilities in the state. The commissioner shall establish appropriate permit, plan review, and inspection fees for public buildings and state licensed facilities. Fees and surcharges for public buildings and state licensed facilities must be remitted to the commissioner, who shall deposit them in the state treasury for credit to the special revenue fund.

Municipalities other than the state having a ~~contractual~~ an agreement with the commissioner for code administration and enforcement service for public buildings and state licensed facilities shall charge their customary fees, including surcharge, to be paid directly to the ~~contractual~~ jurisdiction by the applicant seeking authorization to construct a public building or a state licensed facility. The commissioner shall ~~contract~~ sign an agreement with a municipality other than the state for plan review, code administration, and code enforcement service for public buildings and state licensed facilities in the ~~contractual~~ jurisdiction if the building officials of the municipality meet the requirements of section 16B.65 and wish to provide those services and if the commissioner determines that the municipality has enough adequately trained and qualified building inspectors to provide those services for the construction project.

The commissioner may direct the state building official to assist a community that has been affected by a natural disaster with building evaluation and other activities related to building codes.

Administration and enforcement in a municipality under this section must apply any optional provisions of the State Building Code adopted by the municipality. A municipality adopting any optional code provision shall notify the state building official within 30 days of its adoption.

The commissioner shall administer and enforce the provisions of the code relating to elevators statewide, except as provided for under section 16B.747, subdivision 3.

Sec. 50. Minnesota Statutes 2002, section 16B.62, subdivision 1, is amended to read:

Subdivision 1. [MUNICIPAL ENFORCEMENT.] The State Building Code applies statewide and supersedes the building code of any municipality. A municipality must not by ordinance or through development agreement require building code provisions regulating components or systems of any residential structure that are different from any provision of the State Building Code. A municipality may, with the approval of the state building official, adopt an ordinance that is more restrictive than the State Building Code where geological conditions warrant a more restrictive ordinance. A municipality may appeal the disapproval of a more restrictive ordinance to the commissioner. An appeal under this subdivision is subject to the schedule, fee, procedures, cost provisions, and appeal rights set out in section 16B.67. The State Building Code does not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by sections 103F.141, 216C.19, subdivision 8, and 326.244. All municipalities shall adopt and enforce the State Building Code with respect to new construction within their respective jurisdictions.

If a city has adopted or is enforcing the State Building Code on June 3, 1977, or determines by ordinance after that date to undertake enforcement, it shall enforce the code within the city. A city may by ordinance and with permission of the township board extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction if the code is not in effect in the territory. Where two or more noncontiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated territory even though another city less than four miles distant later elects to enforce the code. After the extension, the city may enforce the code in the designated area to the same extent as if the property were situated within its corporate limits.

Enforcement of the code in an extended area outside a city's corporate limits includes all rules, laws, and ordinances associated with administration of the code.

A city which, on June 3, 1977, had not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city outside of its jurisdiction commences on the first day of January in the year following the notice and hearing.

Municipalities may provide for the issuance of permits, inspection, and enforcement within their jurisdictions by means which are convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, the commissioner shall train and designate individuals available to carry out inspection and enforcement on a fee basis. Nothing in this section prohibits a municipality from adopting ordinances relating to zoning, subdivision, or planning unless the ordinance conflicts with a provision of the State Building Code that regulates components or systems of any residential structure."

Page 45, line 6, strike "and"

Page 45, line 9, before the period, insert "; and

(6) identify which contracts were awarded without following the solicitation process in this chapter because it was determined that there was only a single source for the services"

Page 45, line 17, strike "and"

Page 45, line 21, before the period, insert "; and

(4) if the contract was awarded without following the solicitation process in this chapter because it was determined that there was only a single source for the services, explain why the agency determined there was only a single source for the services"

Page 47, after line 2, insert:

"Sec. 58. Minnesota Statutes 2002, section 16C.10, subdivision 1, is amended to read:

Subdivision 1. [SINGLE SOURCE.] The solicitation process described in this chapter is not required when there is clearly and legitimately only a single source for the goods and services and the commissioner determines that the price has been fairly and reasonably established. Authority under this subdivision may not be used for a contract for public relations or public education services. A contract for these services may be entered into only after issuing a request for proposals or a request for bids.

Sec. 59. Minnesota Statutes 2002, section 16C.10, subdivision 5, is amended to read:

Subd. 5. [SPECIFIC PURCHASES.] The solicitation process described in this chapter is not required for acquisition of the following:

- (1) merchandise for resale purchased under policies determined by the commissioner;
- (2) farm and garden products which, as determined by the commissioner, may be purchased at the prevailing market price on the date of sale;
- (3) goods and services from the Minnesota correctional facilities;
- (4) goods and services from rehabilitation facilities and ~~sheltered workshops~~ extended employment providers that are certified by the commissioner of economic security;
- (5) goods and services for use by a community-based facility operated by the commissioner of human services;
- (6) goods purchased at auction or when submitting a sealed bid at auction provided that before authorizing such an action, the commissioner consult with the requesting agency to determine a fair and reasonable value for the goods considering factors including, but not limited to, costs associated with submitting a bid, travel, transportation, and storage. This fair and reasonable value must represent the limit of the state's bid; and
- (7) utility services where no competition exists or where rates are fixed by law or ordinance."

Page 47, after line 16, insert:

"Sec. 61. Minnesota Statutes 2002, section 16C.15, is amended to read:

16C.15 ~~[SHELTERED WORKSHOPS AND SERVICES WORK ACTIVITY PROGRAMS REHABILITATION FACILITIES AND EXTENDED EMPLOYMENT PROVIDERS.]~~

The commissioner, in consultation with the commissioner of economic security, shall prepare a list containing products and services of ~~state-certified~~ certified rehabilitation facilities, ~~sheltered workshops, and work activity programs~~ and extended employment providers as described in chapter 268A for acquisition by state agencies and institutions.

Sec. 62. Minnesota Statutes 2002, section 16C.16, subdivision 7, is amended to read:

Subd. 7. [ECONOMICALLY DISADVANTAGED AREAS.] (a) Except as otherwise provided in paragraph (b), the commissioner may award up to a six percent preference in the amount bid on state procurement to small businesses located in an economically disadvantaged area.

(b) The commissioner may award up to a four percent preference in the amount bid on state construction to small businesses located in an economically disadvantaged area.

(c) A business is located in an economically disadvantaged area if:

(1) the owner resides in or the business is located in a county in which the median income for married couples is less than 70 percent of the state median income for married couples;

(2) the owner resides in or the business is located in an area designated a labor surplus area by the United States Department of Labor; or

(3) the business is a certified rehabilitation facility or ~~work activity program~~ extended employment provider as described in chapter 268A.

(d) The commissioner may designate one or more areas designated as targeted neighborhoods under section 469.202 or as enterprise zones under section 469.167 as economically disadvantaged areas for purposes of this subdivision if the commissioner determines that this designation would further the purposes of this section. If the owner of a small business resides or is employed in a designated area, the small business is eligible for any preference provided under this subdivision.

(e) The department of revenue shall gather data necessary to make the determinations required by paragraph (c), clause (1), and shall annually certify counties that qualify under paragraph (c), clause (1). An area designated a labor surplus area retains that status for 120 days after certified small businesses in the area are notified of the termination of the designation by the United States Department of Labor."

Page 52, after line 23, insert:

"Sec. 59. Minnesota Statutes 2002, section 43A.047, is amended to read:

43A.047 [CONTRACTED SERVICES.]

~~(a) Executive agencies, including the Minnesota state colleges and universities system, must demonstrate that they cannot use available staff before hiring outside consultants or services. If use of consultants is necessary, agencies are encouraged to negotiate contracts that will involve permanent staff, so as to upgrade and maximize training of state employees.~~

(b) If agencies reduce operating budgets, agencies must give priority to reducing spending on professional and technical service contracts before laying off permanent employees."

Page 52, line 30, delete "must" and insert "may"

Page 55, delete section 63

Page 69, after line 33, insert:

"Sec. 92. Minnesota Statutes 2002, section 327A.01, subdivision 2, is amended to read:

Subd. 2. [BUILDING STANDARDS.] "Building standards" means the materials and installation standards of the State Building Code, adopted by the commissioner of administration pursuant to sections 16B.59 to 16B.75, that is in effect at the time of the construction or remodeling."

Pages 90 and 91, delete section 107

Page 95, after line 34, insert:

"Sec. 130. [CRIMNET FINANCIAL AUDIT.]

The legislative auditor must complete a financial audit of all components and expenditures of the group of projects generally referred to as CriMNet by January 31, 2004. The audit must include a review of all contracts related to CriMNet for compliance with state law, including the laws and guidelines governing the issuance of contracts."

Page 96, line 18, after "16A.87;" insert "16C.18, subdivision 1;"

Page 96, line 24, delete "16C.07; and 43A.047" and insert "and 16C.07"

Page 96, after line 27, insert:

"(e) Minnesota Statutes 2002, section 62J.07, is repealed effective July 1, 2005."

Pages 96 to 111, delete article 3 and insert:

### "ARTICLE 3

#### STATE BOARD OF INVESTMENT CHANGES

Section 1. Minnesota Statutes 2002, section 11A.17, subdivision 2, is amended to read:

Subd. 2. [ASSETS.] The assets of the supplemental investment fund shall consist of the money certified and transmitted to the state board from the participating public retirement plans and funds or from the board of the Minnesota state colleges and universities under section 136F.45. The assets must be used to purchase investment shares in the investment accounts specified by the plan or fund. These accounts must be valued at least on a monthly basis, but may be valued more frequently as determined by the state board of investment.

Sec. 2. Minnesota Statutes 2002, section 352.96, subdivision 2, is amended to read:

Subd. 2. [PURCHASE OF SHARES.] The amount of compensation so deferred may be used to purchase:

(1) shares in the Minnesota supplemental investment fund established in section 11A.17 that are selected to be offered under the plan by the state board of investment;

(2) saving accounts in federally insured financial institutions;

(3) life insurance contracts, fixed annuity and variable annuity contracts from companies that are subject to regulation by the commissioner of commerce;

(4) investment options from open-end investment companies registered under the federal Investment Company Act of 1940, United States Code, title 15, sections 80a-1 to 80a-64;

(5) investment options from a firm that is a registered investment advisor under the Investment Advisers Act of 1940, United States Code, title 15, section 80b-1 to 80b-21;

(6) investment options of a bank as defined in United States Code, title 15, section 80b-2, subsection (a), paragraph (2), or a bank holding company as defined in the Bank Holding Company Act of 1956, United States Code, title 12, section 1841, subsection (a), paragraph (1); or

(7) a combination of clause (1), (2), (3), (4), (5), or (6), as provided by the plan as specified by the participant.

All amounts contributed to the deferred compensation plan and all earnings on those amounts will be held for the exclusive benefit of the plan participants and beneficiaries. These amounts will be held in trust, in custodial accounts, or in qualifying annuity contracts as required by federal law and in accordance with section 356A.06, subdivision 1. This subdivision does not authorize an employer contribution, except as authorized in section 356.24, subdivision 1, paragraph (a), clause (5). The state, political subdivision, or other employing unit is not responsible for any loss that may result from investment of the deferred compensation.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 2003.

## ARTICLE 4

### EARLY RETIREMENT INCENTIVE PROGRAMS

Section 1. [APPLICATION.]

Unless otherwise specified, this article applies to governmental subdivisions as specified in Minnesota Statutes, section 353.01, subdivision 6, and public employees providing service to the applicable employer and covered by the public employees retirement association general plan or police and fire plan under Minnesota Statutes, chapter 353, or the public employees retirement association local government correctional service retirement plan under Minnesota Statutes, chapter 353E.

Sec. 2. [EMPLOYEE EXCLUSION.]

This article does not apply to any employee who provides service to more than one governmental subdivision, or who earns service credit during the time period covered by this article in any Minnesota public employee plan, other than a volunteer fire plan or a plan administered by the public employees retirement association under conditions specified in this article.

Sec. 3. [PHASED RETIREMENT.]

(a) This section applies to a public employee who:

(1) on the effective date of this section is regularly scheduled to work 1,040 or more hours a year in a position covered by an applicable retirement plan;

(2) enters into an agreement with the governmental subdivision to work a reduced schedule that is both:

(i) a reduction of at least 25 percent from the number of regularly scheduled work hours; and

(ii) 1,040 hours or less in the covered position; and

(3) at the time of entering into the agreement under clause (2), meets the age and service requirements necessary to receive a retirement benefit from the applicable plan.

(b) Notwithstanding any law to the contrary, for service under an agreement entered into under paragraph (a), an employee agrees to terminate public employment meeting the requirements of Minnesota Statutes, section 353.01, subdivision 11a, except that the minimum 30-day break-in-service requirement under that subdivision shall not apply, and agrees to reemployment with the applicable governmental subdivision under terms and conditions specified in this section. If an eligible public employee commences receipt of an annuity from a plan specified in section 1, the provisions of Minnesota Statutes, section 353.37, governing annuities of reemployed annuitants shall not apply for the duration of the agreement.

(c) The number of hours worked, the work schedule, and the duration of the phased retirement employment must be mutually agreed to by the employee and the governmental subdivision. The governmental subdivision may not require a person to waive any rights under a collective bargaining agreement as a condition of participation in this section. The governmental subdivision has sole discretion to determine if, and the extent to which, phased retirement under this section is available to an employee.

(d) Notwithstanding any law to the contrary, a person may not earn service credit in the public employees retirement association for employment covered under this section, and employer contributions and payroll deductions for the retirement fund must not be made based on earnings of a person working under this section. No change shall be made to a monthly annuity or retirement allowance based on employment under this section.

(e) A person who works under this section and meets the definition of public employee under Minnesota Statutes, section 179A.03, subdivision 14, is a member of the appropriate bargaining unit, is covered by the appropriate collective bargaining contract or personnel policy, and is eligible for health care coverage as provided in the collective bargaining contract or personnel policy.

(f) An agreement under this section may apply only to work through June 30, 2005.

Sec. 4. [VOLUNTARY HOUR REDUCTION PLAN.]

(a) This section applies to a public employee who:

(1) on the effective date of this section is regularly scheduled to work 1,040 or more hours a year in a position covered by a pension plan administered by the public employees retirement association; and

(2) enters into an agreement with a governmental subdivision to work a reduced schedule of 1,040 or less hours in the covered position.

(b) Notwithstanding any law to the contrary, for service under an agreement entered into under paragraph (a), contributions may be made to the applicable plan of the public employees retirement association as if the employee had not reduced hours. The employee must pay the employee contributions and the employer must pay employer and additional employer contributions necessary to bring the service credit and salary up to the level prior to the voluntary reduction in hours. Contributions must be made in a time and manner prescribed by the executive director of the public employees retirement association.

(c) The number of hours worked, the work schedule, and the duration of the voluntary hour reduction must be mutually agreed to by the employee and the governmental subdivision. The governmental subdivision may not require a person to waive any rights under a collective bargaining agreement as a condition of participation under this section. The governmental subdivision has sole discretion to determine if, and the extent to which, voluntary hour reduction under this section is available to an employee.

(d) A person who works under this section and meets the definition of public employee under Minnesota Statutes, section 179A.03, subdivision 14, is a member of an appropriate bargaining unit, is covered by an appropriate collective bargaining contract or personnel policy, and is eligible for health care coverage as provided in a collective bargaining contract or personnel policy.

(e) An agreement under this section may apply only to work through June 30, 2005.

#### Sec. 5. [VOLUNTARY UNPAID LEAVE OF ABSENCE.]

(a) Governmental subdivisions may allow employees to take unpaid leaves of absence between June 1, 2003, and June 30, 2005. Each governmental subdivision approving a leave shall allow the employee to continue accruing vacation and sick leave, be eligible for paid holidays and insurance benefits, accrue seniority, and accrue service credit and credited salary in the public employees retirement association as if the employee had actually been employed during the time of leave. If the leave of absence is for one full pay period or longer, any holiday pay shall be included in the first payroll warrant after return from the leave of absence. The governmental subdivision shall attempt to grant requests for the unpaid leaves of absence consistent with the need to continue efficient operation of the governmental subdivision. However, each governmental subdivision shall retain discretion to grant or refuse to grant requests for leaves of absence and to schedule and cancel leaves, subject to the applicable provisions of collective bargaining agreements and personnel policy.

(b) To receive eligible service credit, the member shall pay an amount equal to the applicable employee contribution rates. If an employee pays the employee contribution for the period of the leave under this section, the governmental subdivision must pay the employer contribution and the additional employer contribution. The governmental subdivision may, at its discretion, pay employee, employer, and additional employer contributions to the public employees retirement association for the period of leave under this section. Contributions must be made in a time and manner prescribed by the executive director of the public employees retirement association.

#### Sec. 6. [DESIGNATION OF POSITIONS; EMPLOYER DISCRETION.]

Before agreeing to an option under this article, a governmental subdivision must designate the job classifications or positions within job classifications that qualify for each option. The governmental subdivision may modify this designation at any time. Designation of positions eligible for the options and participation of individual employees under this article are at the sole discretion of the governmental subdivision. Implementation of this article by the employer is not an unfair labor practice under Minnesota Statutes, chapter 179A, or an unfair discriminatory practice under Minnesota Statutes, chapter 363.

## Sec. 7. [PROGRAM APPLICATION REQUIREMENTS.]

(a) No agreement between an eligible public employee and a governmental subdivision under this article is effective unless the employee acknowledges acceptance of the terms of the agreement in writing on a form prescribed by the public employees retirement association executive director.

(b) A copy of the signed agreement must be transmitted to the public employees retirement association executive director within 30 days after the agreement is executed.

## Sec. 8. [RELATIONSHIP OF SECTIONS.]

(a) An employee covered by a phased retirement agreement under section 3 may not be covered by the voluntary hour reduction provisions of section 4 or by a voluntary unpaid leave of absence agreement under section 5 during the same time period or any later time period.

(b) An employee covered by the voluntary hour reduction provisions of section 4:

(1) may not be covered by a phased retirement agreement under section 3 during the same time period, but may be covered by a phased retirement agreement under section 3 during a later time period; and

(2) may be covered by the voluntary leave of absence provision of section 5 during an earlier or later time period.

## Sec. 9. [GOVERNMENTAL SUBDIVISION LIMITATION.]

Notwithstanding Minnesota Statutes, section 353.01, subdivision 6, paragraph (b), to the contrary, for purposes of this article, the public employees retirement association is not a governmental subdivision.

## Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment.

## ARTICLE 5

PUBLIC EMPLOYEES RETIREMENT  
ASSOCIATION CHANGES

Section 1. Minnesota Statutes 2002, section 353.01, subdivision 2d, is amended to read:

Subd. 2d. [OPTIONAL MEMBERSHIP.] (a) Membership in the association is optional by action of the individual employee for the following public employees who meet the conditions set forth in subdivision 2a:

(1) members of the coordinated plan who are also employees of labor organizations as defined in section 353.017, subdivision 1, for their employment by the labor organization only if they elect to have membership under section 353.017, subdivision 2;

(2) persons who are elected or persons who are appointed to elected positions other than local governing body elected positions who elect to participate by filing a written election for membership;

(3) members of the association who are appointed by the governor to be a state department head and who elect not to be covered by the general state employees retirement plan of the Minnesota state retirement system under section 352.021; ~~and~~

(4) city managers as defined in section 353.028, subdivision 1, who do not elect to be excluded from membership in the association under section 353.028, subdivision 2; and

(5) employees of the port authority of the city of St. Paul who were at least age 45 on January 1, 2003, and who elect to participate by filing a written election for membership.

(b) Membership in the association is optional by action of the governmental subdivision for the employees of the following governmental subdivisions under the conditions specified:

(1) the Minnesota association of townships if the board of the association, at its option, certifies to the executive director that its employees are to be included for purposes of retirement coverage, in which case the status of the association as a participating employer is permanent; and

(2) a county historical society if the county in which the historical society is located, at its option, certifies to the executive director that the employees of the historical society are to be county employees for purposes of retirement coverage under this chapter. The status as a county employee must be accorded to all similarly situated county historical society employees and, once established, must continue as long as a person is an employee of the county historical society.

(c) For employees who are covered by paragraph (a), clause (1), (2), or (3), or covered by paragraph (b), if the necessary membership election is not made, the employee is excluded from retirement coverage under this chapter. For employees who are covered by paragraph (a), clause (4), if the necessary election is not made, the employee must become a member and have retirement coverage under this chapter. The option to become a member, once exercised under this subdivision, may not be withdrawn until termination of public service as defined under subdivision 11a.

Sec. 2. Minnesota Statutes 2002, section 353.01, subdivision 6, is amended to read:

Subd. 6. [GOVERNMENTAL SUBDIVISION.] (a) "Governmental subdivision" means a county, city, town, school district within this state, or a department or unit of state government, or any public body whose revenues are derived from taxation, fees, assessments or from other sources.

(b) Governmental subdivision also means the public employees retirement association, the league of Minnesota cities, the association of metropolitan municipalities, public hospitals owned or operated by, or an integral part of, a governmental subdivision or governmental subdivisions, the association of Minnesota counties, the metropolitan intercounty association, the Minnesota municipal utilities association, the metropolitan airports commission, the Minneapolis employees retirement fund for employment initially commenced after June 30, 1979, the range association of municipalities and schools, soil and water conservation districts, economic development authorities created or operating under sections 469.090 to 469.108, the port authority of the city of St. Paul, the Spring Lake Park fire department, incorporated, the Red Wing environmental learning center, and the Dakota county agricultural society.

(c) Governmental subdivision does not mean any municipal housing and redevelopment authority organized under the provisions of sections 469.001 to 469.047; or any port authority organized under sections 469.048 to 469.089 other than the port authority of the city of St. Paul; or any hospital district organized or reorganized prior to July 1, 1975, under sections 447.31 to 447.37 or the successor of the district, nor the Minneapolis community development agency.

Sec. 3. Minnesota Statutes 2002, section 353D.01, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] (a) Eligibility to participate in the defined contribution plan is available to:

(1) elected local government officials of a governmental subdivision who elect to participate in the plan under section 353D.02, subdivision 1, and who, for the elected service rendered to a governmental subdivision, are not members of the public employees retirement association within the meaning of section 353.01, subdivision 7;

(2) physicians who, if they did not elect to participate in the plan under section 353D.02, subdivision 2, would meet the definition of member under section 353.01, subdivision 7;

(3) basic and advanced life support emergency medical service personnel employed by or providing services for any public ambulance service or privately operated ambulance service that receives an operating subsidy from a governmental entity that elects to participate under section 353D.02, subdivision 3; ~~and~~

(4) members of a municipal rescue squad associated with Litchfield in Meeker county, or of a county rescue squad associated with Kandiyohi county, if an independent nonprofit rescue squad corporation, incorporated under chapter 317A, performing emergency management services, and if not affiliated with a fire department or ambulance service and if its members are not eligible for membership in that fire department's or ambulance service's relief association or comparable pension plan; and

(5) employees of the port authority of the city of St. Paul who elect to participate in the plan under section 353D.02, subdivision 5, and who are not members of the public employees retirement association under section 353.01, subdivision 7.

(b) For purposes of this chapter, an elected local government official includes a person appointed to fill a vacancy in an elective office. Service as an elected local government official only includes service for the governmental subdivision for which the official was elected by the public-at-large. Service as an elected local government official ceases and eligibility to participate terminates when the person ceases to be an elected official. An elected local government official does not include an elected county sheriff.

~~(c) Elected local government officials, physicians, first response personnel and emergency medical service personnel, and rescue squad personnel~~ Individuals otherwise eligible to participate in the plan under this subdivision who are currently covered by a public or private pension plan because of their employment or provision of services are not eligible to participate in the public employees defined contribution plan.

(d) A former participant is a person who has terminated eligible employment or service and has not withdrawn the value of the person's individual account.

Sec. 4. Minnesota Statutes 2002, section 353D.02, is amended by adding a subdivision to read:

Subd. 5. [ST. PAUL PORT AUTHORITY PERSONNEL.] Employees of the port authority of the city of St. Paul who do not elect to participate in the general employees retirement plan may elect to participate in the plan by filing a membership application on a form prescribed by the executive director of the association authorizing contributions to be deducted from the employee's salary. Participation begins on the first day of the pay period for which the contributions were deducted or, if pay period coverage dates are not provided, the date on which the membership application or the contributions are received in the office of the association, whichever is received first, if the membership application is received by the association within 60 days of the receipt of the contributions. An election to participate in the plan is irrevocable.

## Sec. 5. [RED WING ENVIRONMENTAL LEARNING CENTER.]

(a) The legislature finds that the Red Wing environmental learning center has a long and very close relationship with independent school district No. 256, Red Wing, that Red Wing environmental learning center employees have been treated as independent school district No. 256, Red Wing, employees for retirement coverage purposes for 33 years, and that the current learning center employees would suffer a significant loss in their pension benefit coverage if their membership in the general employees retirement plan of the public employees retirement association was disrupted.

(b) Notwithstanding the provisions of any other law to the contrary, independent school district No. 256, Red Wing, may certify to the executive director of the public employees retirement association that employees of the Red Wing environmental learning center are considered school district employees solely for purposes of retirement coverage by the general employees retirement plan under Minnesota Statutes, chapter 353. This status must be accorded to all similarly situated Red Wing environmental learning center employees.

## Sec. 6. [PERA-GENERAL; PRIOR ST. PAUL PORT AUTHORITY SERVICE CREDIT PURCHASE.]

Subdivision 1. [ELIGIBILITY.] A full-time salaried employee or a permanent part-time salaried employee of the port authority of the city of St. Paul who was employed by the port authority during all or part of the period from July 1, 1993, to July 1, 2003, and who is a member of the general employees retirement plan of the public employees retirement association may purchase allowable service credit from the general employees retirement plan.

Subd. 2. [PURCHASABLE SERVICE; MAXIMUM.] (a) The service credit that is purchasable under subdivision 1 is a period or periods of employment by the port authority of the city of St. Paul that would have been eligible service for coverage by the general employees retirement plan of the public employees retirement association if the service had been rendered after July 1, 2003.

(b) The maximum period of allowable service credit in the general employees retirement plan of the public employees retirement association for purchase under this section is ten years.

Subd. 3. [PURCHASE PAYMENT REQUIREMENT.] (a) To purchase the service credit, the payment amount must be calculated under Minnesota Statutes, section 356.55.

(b) Notwithstanding any provision of Minnesota Statutes, section 356.55, to the contrary, the prior service credit purchase payment may be made in whole or in part on an institution-to-institution basis from a plan qualified under the federal Internal Revenue Code, section 401(a), 401(k), or 414(h), or from an annuity qualified under the federal Internal Revenue Code, section 403, or from a deferred compensation plan under the federal Internal Revenue Code, section 457, to the extent permitted by the applicable federal law. In no event may a prior service credit purchase transfer be paid directly to the person purchasing the service.

Subd. 4. [DOCUMENTATION; SERVICE CREDIT GRANT.] (a) An eligible person described in subdivision 1 must provide any documentation related to eligibility to make this service credit purchase required by the executive director of the public employees retirement association.

(b) Allowable service credit for the purchase period or periods must be granted by the general employees retirement plan of the public employees retirement association on behalf of the eligible person upon receipt of the prior service credit purchase payment amount.

Subd. 5. [SUNSET.] Authority to purchase service credit under this section expires on December 31, 2004.

Sec. 7. [PRIOR SERVICE; VESTING.]

For purposes of vesting under Minnesota Statutes, section 353.29, subdivision 1, only, a full-time salaried employee or a permanent part-time salaried employee of the port authority of the city of St. Paul who was employed by the port authority on July 1, 2003, and who is a member of the general employees retirement plan of the public employees retirement association may use months of employment with the port authority before that date. This service may not be used to calculate a retirement annuity or a disability benefit provided for under Minnesota Statutes, chapter 353.

Sec. 8. [DEFINED CONTRIBUTION PLAN; ONETIME ELECTION.]

Employees of the port authority of the city of St. Paul who do not exercise the right to become members of the general employees retirement plan of the public employees retirement association under section 1 may, by onetime election, choose to participate in the public employees retirement association's defined contribution plan under Minnesota Statutes, sections 353D.01 to 353D.12. The election is irrevocable.

Sec. 9. [EFFECTIVE DATE.]

(a) Section 2 with respect to the Red Wing environmental learning center, and section 5 are effective the day after the school board of independent school district No. 256, Red Wing, and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3, and certification to the executive director of the public employees retirement association.

(b) Section 2, with respect to the port authority of the city of St. Paul, is effective the day following final enactment.

(c) Sections 1, 3, 4, 5, 7, and 8 are effective the day following final enactment.

(d) Coverage by the general employees retirement plan of the public employees retirement association under sections 1 and 2 commences July 1, 2003.

## ARTICLE 6

### PRIOR SERVICE CREDIT PURCHASE PROVISIONS

Section 1. Minnesota Statutes 2002, section 356.55, subdivision 7, is amended to read:

Subd. 7. [EXPIRATION OF PURCHASE PAYMENT DETERMINATION PROCEDURE.] (a) This section expires and is repealed on July 1, ~~2003~~ 2004.

(b) Authority for any public pension plan to accept a prior service credit payment that is calculated in a timely fashion under this section expires on October 1, ~~2003~~ 2004.

Sec. 2. Laws 1999, chapter 222, article 16, section 16, as amended by Laws 2002, chapter 392, article 7, section 1, is amended to read:

Sec. 16. [REPEALER.]

Sections 1 to 13 are repealed on May 16, ~~2003~~ 2004.

Sec. 3. Laws 2000, chapter 461, article 4, section 4, is amended to read:

Sec. 4. [EFFECTIVE DATE; SUNSET REPEALER.]

(a) Sections 1, 2, and 3 are effective on the day following final enactment.

(b) Sections 1, 2, and 3 are repealed on May 16, ~~2003~~ 2004.

Sec. 4. Laws 2000, chapter 461, article 12, section 20, as amended by Laws 2002, chapter 392, article 7, section 2, is amended to read:

Sec. 20. [EFFECTIVE DATE.]

(a) Sections 4, 5, and 11 to 20 are effective on the day following final enactment.

(b) Sections 1, 2, 3, and 6 to 10 are effective on the day following final enactment and apply retroactively to a faculty member of the Lake Superior College who was granted an extended leave of absence under article 19, section 4, of the united technical college educators master agreement for the 1999-2000 academic year prior to March 20, 2000.

(c) Sections 5, 11, and 14, paragraph (c), expire on May 16, ~~2003~~ 2004.

Sec. 5. Laws 2001, First Special Session chapter 10, article 6, section 21, as amended by Laws 2002, chapter 392, article 7, section 3, is amended to read:

Sec. 21. [EXPIRATION DATE.]

(a) The amendments in sections 1, 2, 3, 4, 10, 12, 16, 17, 18, 19, and 20 expire May 16, ~~2003~~ 2004.

(b) Sections 9 and 15 expire May 16, ~~2003~~ 2004.

Sec. 6. [PERA-GENERAL; SERVICE CREDIT PURCHASE AUTHORIZED.]

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b), (c), or (d) is authorized to purchase allowable service credit from the general employees retirement plan of the public employees retirement association under Minnesota Statutes, section 356.55 or 356.551, for the applicable period of prior employment as a council member of the city of St. Louis Park which was not credited by the general employees retirement plan of the public employees retirement association as indicated in paragraph (e).

(b) An eligible person is a person who:

(1) is a current member of the St. Louis Park city council and is a current member of the general employees retirement plan of the public employees retirement association;

(2) was born on September 26, 1941;

(3) became a St. Louis Park city council member on January 1, 1996; and

(4) was not a member of the general employees retirement plan of the public employees retirement association for the period January 1, 1996, to January 29, 2000.

(c) An eligible person is a person who:

(1) is a current member of the St. Louis Park city council and is a current member of the general employees retirement plan of the public employees retirement association;

(2) was born on October 8, 1949;

(3) became a St. Louis Park city council member on June 8, 1999; and

(4) was not a member of the general employees retirement plan of the public employees retirement association for the period June 8, 1999, to January 12, 2002.

(d) An eligible person is a person who:

(1) is a current member of the St. Louis Park city council and is a current member of the general employees retirement plan of the public employees retirement association;

(2) was born on June 4, 1964;

(3) became a St. Louis Park city council member on November 18, 1997; and

(4) was not a member of the general employees retirement plan of the public employees retirement association for the period November 18, 1997, to March 9, 2002.

(e) The allowable service credit purchase period is limited to the period of St. Louis Park city council service that was not covered by the general employees retirement plan of the public employees retirement association.

(f) The eligible person must provide all relevant documentation of the applicability of the requirements set forth in paragraph (b), (c), or (d) and any other applicable information that the executive director of the public employees retirement association may request.

(g) Allowable service credit for the purchase period must be granted by the general employees retirement plan of the public employees retirement association to the eligible person upon receipt of the prior service credit purchase payment amount.

(h) Notwithstanding Minnesota Statutes, section 356.55, subdivision 5, or 356.551, subdivision 2, whichever applies, the city of St. Louis Park is not permitted to pay any portion of the service credit purchase payment amount.

(i) The prior service credit purchase authority expires on July 1, 2004, or on the date of the termination of active St. Louis Park city council service by the eligible person, whichever occurs earlier.

Sec. 7. [REPEALER.]

Minnesota Statutes 2002, sections 354.541 and 354A.109, are repealed May 16, 2004.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment.

## ARTICLE 7

## GENERAL RETIREMENT CHANGES

Section 1. Minnesota Statutes 2002, section 356B.05, is amended to read:

## 356B.05 [PUBLIC PENSION ADMINISTRATION LEGISLATION.]

(a) Proposed administrative legislation recommended by or on behalf of the Minnesota state retirement system, the public employees retirement association, the teachers retirement association, the Minneapolis employees retirement fund, ~~or a first class city teachers retirement fund association,~~ or the Minnesota state colleges and universities system must be presented to the legislative commission on pensions and retirement, the state and local governmental operations committee of the senate, and the governmental operations and veterans affairs policy committee of the house of representatives on or before October 1 of each year in order for the proposed administrative legislation to be acted upon during the upcoming legislative session. The executive director or the deputy executive director of the legislative commission on pensions and retirement shall provide written comments on the proposed administrative provisions to the public pension plans by November 15 of each year.

(b) Proposed administrative legislation recommended by or on behalf of a public employee pension plan or system under paragraph (a) must address provisions:

- (1) authorizing allowable service credit for leaves of absence and related circumstances;
- (2) governing offsets or deductions from the amount of disability benefits;
- (3) authorizing the purchase of allowable service credit for prior uncredited periods;
- (4) governing subsequent employment earnings by reemployed annuitants; and
- (5) authorizing retroactive effect for retirement annuity or benefit applications.

(c) Where possible and desirable, taking into account the differences among the public pension plans in existing law and the unique characteristics of the individual public pension fund memberships, uniform provisions relating to paragraph (b) for all applicable public pension plans must be presented for consideration during the legislative session. Supporting documentation setting forth the policy rationale for each set of uniform provisions must accompany the proposed administrative legislation.

## Sec. 2. [ACTUARIAL STUDY OF COSTS TO RESTRUCTURE TEACHER PLANS.]

Subdivision 1. [STUDY MANDATED.] The actuary retained by the legislative commission on pensions and retirement shall prepare an additional actuarial valuation report, using the results of the 2003 actuarial valuation reports prepared under Minnesota Statutes, section 356.215, that considers the feasibility of restructuring the Minnesota teachers retirement association, the Minneapolis teachers retirement fund association, the St. Paul teachers retirement fund association, and the Duluth teachers retirement plan and fund association into a new restructured fund.

Subd. 2. [CONTENTS OF STUDY.] The actuarial valuation report must be based on the proposals put forth in the report mandated by the legislature in Laws 2001, First Special Session chapter 10, article 11, section 20, and filed February 15, 2002, including changes to the postretirement adjustment, benefits, and restructuring administrative costs and including asset transfers.

Subd. 3. [INFORMATION PROVIDED.] The executive director of the teachers retirement association, the executive secretary of the Duluth teachers retirement fund association, the executive director of the St. Paul teachers retirement fund association, and the executive director of the Minneapolis teachers retirement fund association must consult with the task force established under Laws 2001, First Special Session chapter 10, article 11, section 20, and must provide the commission-retained actuary with all necessary information requested for the preparation of this report.

Subd. 4. [COSTS.] The cost of the actuarial valuation report mandated in this section will be paid by the pension funds named in this legislation. The cost must be allocated equally between the four pension funds. The executive director of the Minneapolis teachers retirement fund association shall serve as the fiscal agent for this study, shall pay its cost, and shall be reimbursed by the other three retirement funds for their appropriate share.

Subd. 5. [FILING DATE.] The report must be filed by January 15, 2004, with the chair of the legislative commission on pensions and retirement, the chair of the senate committee on state and local government operations, and the chair of the house committee on government operations and veterans affairs policy.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment.

## ARTICLE 8

### MINNEAPOLIS FIREFIGHTERS RELIEF ASSOCIATION CHANGES

Section 1. Minnesota Statutes 2002, section 423C.08, is amended to read:

423C.08 [MEMBER CONTRIBUTION REFUND TO BENEFICIARY UPON DEATH.]

If an active, deferred, or retired member of the association dies and no survivor benefit is payable, the designated beneficiary of the decedent or, if none, the legal representative of the estate of the decedent is entitled, upon application, to a refund. The refund shall be an amount equal to the member contributions to the credit of the decedent, plus interest on those contributions at an annual compounded rate of five percent from the first day of the month following the date of the contribution to the first day of the month following the date of death of the decedent, reduced by the sum of any service pension or disability benefit previously paid by the fund to the decedent.

Sec. 2. [INTENT.]

Section 1 is intended to bring the Minneapolis firefighters relief association's statutory provision which provides for a refund of member contributions where the decedent does not leave a surviving spouse or children in conformance with Minnesota Statutes, section 423A.18.

Sec. 3. Minnesota Statutes 2002, section 423C.03, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION OF OFFICERS AND BOARD MEMBERS.] Notwithstanding any other law to the contrary, the association may provide for payment of the following salaries to its officers and board members:

(1) the executive secretary may receive a salary not exceeding ~~30~~ 50 percent of the maximum salary of a first grade firefighter;

(2) the president may receive a salary not exceeding ten percent of the maximum salary of a first grade firefighter; and

(3) all other elected members of the board may receive a salary not exceeding 2.5 percent of the maximum salary of a first grade firefighter.

[EFFECTIVE DATE.] (a) The board of the Minneapolis firefighters relief association may increase the salary of the executive secretary subject to the maximum set forth in this section.

(b) Any salary increase under paragraph (a) may be effective on September 1, 2002, or any time thereafter as designated by the relief association board.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective retroactively from September 25, 2001. Section 2 is effective the day following final enactment.

## ARTICLE 9

### PLYMOUTH VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION CHANGES

Section 1. Laws 1978, chapter 685, section 1, as amended by Laws 1979, chapter 201, section 41, is amended to read:

Section 1. [PLYMOUTH VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION.]

The bylaws of the Plymouth firefighter's relief association may be amended to provide for payment of a disability pension in an amount ~~equal to \$8.50 per month per year of service, to a maximum of \$255 per month~~ consistent with the ancillary benefit requirements specified in Minnesota Statutes, section 424A.02, subdivision 9, to a firefighter qualified pursuant to determined to be disabled, as defined in the bylaws of the association and under procedures specified in those bylaws. No member shall be entitled to draw both a disability pension and a service pension.

Sec. 2. Laws 1978, chapter 685, section 2, is amended to read:

Sec. 2. The Plymouth firefighter's relief association may provide for a benefit to the surviving spouse of a volunteer firefighter who died, providing that the surviving spouse qualifies under the terms of the bylaws, such benefit to be paid as the bylaws of the association may provide, except that the bylaws may not provide for a spouse's benefit of more than \$127.50 per month, and provided the benefit shall cease as of the date of the spouse's remarriage and the benefit is consistent with ancillary benefit requirements specified in Minnesota Statutes, section 424A.02, subdivision 9.

Sec. 3. Laws 1978, chapter 685, section 3, is amended to read:

Sec. 3. The Plymouth firefighter's relief association may pay a pension for the children of deceased members, as the association's bylaws may provide, consistent with ancillary benefit requirements specified in Minnesota Statutes, section 424A.02, subdivision 9.

Sec. 4. Laws 1978, chapter 685, section 6, is amended to read:

Sec. 6. (a) The bylaws of the Plymouth firefighter's relief association may further provide that when any active or deferred member of the association or any pensioner who is a former member ~~disabilitant or service pension recipient~~ dies, there may be paid a death or funeral benefit to defray or assist the family of the deceased with funeral expenses.

(b) A benefit paid under this section due to the death of an active or deferred member must conform to Minnesota Statutes, section 424A.02, subdivision 9.

(c) A death or funeral benefit may be paid under this section to the family of a deceased disabilitant or service pensioner notwithstanding Minnesota Statutes, section 424A.02, subdivision 9, providing that liabilities relating to this benefit are recognized in determinations of actuarial condition and funding costs, as determined under section 69.772 or 69.773, whichever is applicable. Notwithstanding any law to the contrary, the association is authorized to use a load factor or factors to recognize liabilities relating to funeral or death benefits paid to the family of a deceased disabilitant or service pensioner. Benefits are not payable under this paragraph if the city council does not approve the load factor or factors used in determinations of actuarial conditions and funding costs.

Sec. 5. [REPEALER.]

Laws 1978, chapter 685, section 5, is repealed.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective on the day after the date on which the Plymouth city council and the chief clerical officer of the city of Plymouth complete in a timely manner their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

## ARTICLE 10

### VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION CHANGES

Section 1. Minnesota Statutes 2002, section 424A.02, subdivision 3, is amended to read:

Subd. 3. [FLEXIBLE SERVICE PENSION MAXIMUMS.] (a) Annually on or before August 1 of each year as part of the certification of the financial requirements and minimum municipal obligation ~~made pursuant to determined under~~ section 69.772, subdivision 4, or 69.773, subdivision 5, as applicable, the secretary or some other official of the relief association designated in the bylaws of each relief association shall calculate and certify to the governing body of the applicable qualified municipality the average amount of available financing per active covered firefighter for the most recent three-year period. The amount of available financing shall include any amounts of fire state aid received or receivable by the relief association, any amounts of municipal contributions to the relief association raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued liabilities of the relief association ~~calculated pursuant to sections under section~~ 69.772, subdivision 2; 69.773, subdivisions 2 and 4; or 69.774, subdivision 2, if any.

(b) The maximum service pension which the relief association has authority to provide for in its bylaws for payment to a member retiring after the calculation date when the minimum age and service requirements specified in subdivision 1 are met must be determined using the table in paragraph (c) or (d), whichever applies.

(c) For a relief association where the governing bylaws provide for a monthly service pension to a retiring member, the maximum monthly service pension amount per month for each year of service credited that may be provided for in the bylaws is the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$...	\$.25
42	.50
84	1.00
126	1.50
168	2.00
209	2.50
252	3.00
294	3.50
335	4.00
378	4.50
420	5.00
503	6.00
587	7.00
672	8.00
755	9.00
839	10.00
923	11.00
1007	12.00
1090	13.00
1175	14.00
1259	15.00
1342	16.00
1427	17.00
1510	18.00

1594	19.00
1677	20.00
1762	21.00
1845	22.00
1888	22.50
1929	23.00
2014	24.00
2098	25.00
2183	26.00
2267	27.00
2351	28.00
2436	29.00
2520	30.00
2604	31.00
2689	32.00
2773	33.00
2857	34.00
2942	35.00
3026	36.00
3110	37.00
<del>3963</del> <u>3194</u>	38.00
<del>4047</del> <u>3278</u>	39.00
<del>4137</del> <u>3362</u>	40.00
Effective beginning December 31, 2000:	
<del>4227</del> <u>3446</u>	41.00
<del>4317</del> <u>3530</u>	42.00
<del>4407</del> <u>3614</u>	43.00
<del>4497</del> <u>3698</u>	44.00

~~Effective beginning December 31, 2001:~~

<del>4587 <u>3782</u></del>	45.00
<del>4677 <u>3866</u></del>	46.00
<del>4767 <u>3950</u></del>	47.00
<del>4857 <u>4034</u></del>	48.00

~~Effective beginning December 31, 2002:~~

<del>4947 <u>4118</u></del>	49.00
<del>5037 <u>4202</u></del>	50.00
<del>5127 <u>4286</u></del>	51.00
<del>5217 <u>4370</u></del>	52.00

## Effective beginning December 31, 2003:

<del>5307 <u>4454</u></del>	53.00
<del>5397 <u>4538</u></del>	54.00
<del>5487 <u>4622</u></del>	55.00
<del>5577 <u>4706</u></del>	56.00

(d) For a relief association in which the governing bylaws provide for a lump sum service pension to a retiring member, the maximum lump sum service pension amount for each year of service credited that may be provided for in the bylaws is the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter for the applicable specified period:

Minimum Average Amount of Available Financing per Firefighter	Maximum Lump Sum Service Pension Amount Payable for Each Year of Service
\$..	\$10
11	20
16	30
23	40
27	50
32	60
43	80
54	100

65	120
77	140
86	160
97	180
108	200
131	240
151	280
173	320
194	360
216	400
239	440
259	480
281	520
302	560
324	600
347	640
367	680
389	720
410	760
432	800
486	900
540	1000
594	1100
648	1200
702	1300
756	1400
810	1500
864	1600

918	1700
972	1800
1026	1900
1080	2000
1134	2100
1188	2200
1242	2300
1296	2400
1350	2500
1404	2600
1458	2700
1512	2800
1566	2900
1620	3000
1672	3100
1726	3200
1753	3250
1780	3300
1820	3375
1834	3400
1888	3500
1942	3600
1996	3700
2023	3750
2050	3800
2104	3900
2158	4000
2212	4100

2265	4200
2319	4300
2373	4400
2427	4500
2481	4600
2535	4700
2589	4800
2643	4900
2697	5000
2751	5100
2805	5200
2859	5300
2913	5400
2967	5500

~~Effective beginning December 31, 2000:~~

3021	5600
3075	5700
3129	5800
3183	5900
3237	6000

~~Effective beginning December 31, 2001:~~

3291	6100
3345	6200
3399	6300
3453	6400
3507	6500

~~Effective beginning December 31, 2002:~~

3561	6600
3615	6700
3669	6800
3723	6900
3777	7000

## Effective beginning December 31, 2003:

3831	7100
3885	7200
3939	7300
3993	7400
4047	7500

(e) For a relief association in which the governing bylaws provide for a monthly benefit service pension as an alternative form of service pension payment to a lump sum service pension, the maximum service pension amount for each pension payment type must be determined using the applicable table contained in this subdivision.

(f) If a relief association establishes a service pension in compliance with the applicable maximum contained in paragraph (c) or (d) and the minimum average amount of available financing per active covered firefighter is subsequently reduced because of a reduction in fire state aid or because of an increase in the number of active firefighters, the relief association may continue to provide the prior service pension amount specified in its bylaws, but may not increase the service pension amount until the minimum average amount of available financing per firefighter under the table in paragraph (c) or (d), whichever applies, permits.

(g) No relief association is authorized to provide a service pension in an amount greater than the largest applicable flexible service pension maximum amount even if the amount of available financing per firefighter is greater than the financing amount associated with the largest applicable flexible service pension maximum.

## Sec. 2. [BENEFIT RATIFICATION; WHITE BEAR LAKE.]

Notwithstanding Minnesota Statutes, section 424A.02, subdivisions 3 and 3a, to the contrary, the service pension amounts specified in the bylaws of the White Bear Lake fire department relief association following bylaw amendments in January 1999 and prior to the effective date of this section are ratified.

## Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment.

## ARTICLE 11

## LOCAL RETIREMENT CHANGES

Section 1. Minnesota Statutes 2002, section 383B.49, is amended to read:

383B.49 [SUPPLEMENTAL RETIREMENT BENEFITS; REDEMPTION OF SHARES.]

When requested to do so, in writing, on forms provided by the county, by a participant, surviving spouse, a guardian of a surviving child or a personal representative, whichever is applicable, the county of Hennepin shall redeem shares in the accounts of the Minnesota supplemental investment fund standing in a participant's share account record under the following circumstances and in accordance with the laws and regulations governing the Minnesota supplemental investment fund:

(1) A participant who is no longer employed by the county of Hennepin is entitled to receive the cash realized on the redemption of the shares to the credit of the participant's share account record of the person. The participant may request the redemption of all or a portion of the shares in the participant's share account record of the person, but may not request more than one redemption in any one calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed the person may request to redeem not less than 20 percent of the shares in any one calendar year and the redemption must be completed in no more than five years. An election is irrevocable except that a participant may request an amendment of the election to redeem all of the person's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county ~~board administrator~~, in its the sole discretion of the administrator.

(2) In the event of the death of a participant leaving a surviving spouse, the surviving spouse is entitled to receive the cash realized on the redemption of all or a portion of the shares in the participant's share account record of the deceased spouse, but in no event may the spouse request more than one redemption in each calendar year. If only a portion of the shares in the participant's share account record is requested to be redeemed, the surviving spouse may request the redemption of not less than 20 percent of the shares in any one calendar year. Redemption must be completed in no more than five years. An election is irrevocable except that the surviving spouse may request an amendment of the election to redeem all of the participant's remaining shares. All requests under this paragraph are subject to application to and approval of the Hennepin county ~~board administrator~~, in its the sole discretion of the administrator. Upon the death of the surviving spouse, any shares remaining in the participant's share account record must be redeemed by the county of Hennepin and the cash realized from the redemption distributed to the estate of the surviving spouse.

(3) In the event of the death of a participant leaving no surviving spouse, but leaving a minor surviving child or minor surviving children, the guardianship estate of the minor child is, or the guardianship estates of the minor children are, entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant. In the event of minor surviving children, the cash realized must be paid in equal shares to the guardianship estates of the minor surviving children.

(4) In the event of the death of a participant leaving no surviving spouse and no minor surviving children, the estate of the deceased participant is entitled to receive the cash realized on the redemption of all shares to the credit of the participant's share account record of the deceased participant.

Sec. 2. Minnesota Statutes 2002, section 383B.493, is amended to read:

383B.493 [WITHDRAWAL FROM PARTICIPATION.]

Notwithstanding Laws 1982, chapter 450, or any other law to the contrary, a Hennepin county employee participating in the Hennepin county supplemental retirement program pursuant to Laws 1982, chapter 450 may, in the event of an unforeseeable emergency, apply to the county to discontinue participation in the program.

Employees who are no longer participating in the program may apply for the redemption of all shares credited to their share account record. Applications are subject to approval of the Hennepin county ~~board of commissioners administrator~~ in its sole discretion of the administrator. For the purposes of this section, the term "unforeseeable emergency" shall mean a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident of the participant or a person dependent upon the participant, loss of participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. Applications based on foreseeable expenditures normally budgetable shall not be approved. A participant exercising the option provided by this section shall be ineligible for further participation in the supplemental retirement program.

Sec. 3. [EVELETH RETIRED POLICE AND FIRE TRUST FUND; AD HOC POSTRETIREMENT ADJUSTMENT.]

In addition to the current pensions and other retirement benefits payable, the pensions and retirement benefits payable to retired police officers and firefighters and their surviving spouses by the Eveleth police and fire trust fund are increased by \$100 per month. Increases are retroactive from January 1, 2003.

Sec. 4. [MARSHALL VOLUNTEER FIRE.]

Notwithstanding any provision of Minnesota Statutes, section 424A.02, subdivision 7, or other law to the contrary, as a pilot project, the Marshall volunteer firefighter relief association may amend its bylaws to pay interest on deferred lump sum payment pensions based on a rate determined annually by the board of trustees based on the actual time weighted total rate of return investment performance of the special fund as reported by the office of the state auditor under Minnesota Statutes, section 356.219, up to five percent, and applied consistently for all deferred service pensioners.

Sec. 5. [EFFECTIVE DATE.]

(a) Sections 1 and 2 are effective upon approval by the Hennepin county board of commissioners and compliance with Minnesota Statutes, section 645.021.

(b) Section 3 is effective the day after the date on which the Eveleth city council and the chief clerical officer of the city of Eveleth comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

(c) Section 4 is effective the day after the date on which the Marshall city council and the chief clerical officer of the city of Marshall comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

## ARTICLE 12

### PRIOR SERVICE CREDIT PURCHASE PROVISIONS

Section 1. Laws 2000, chapter 461, article 19, section 6, is amended to read:

Sec. 6. [MTRFA; PRIOR SERVICE CREDIT PURCHASE FOR UNCREDITED TEACHING SERVICE PERIODS.]

(a) An eligible person described in paragraph (b) is entitled to purchase allowable service credit from the Minneapolis teachers retirement fund association basic program for the periods of teaching employment specified in paragraph (c) by making the payment required under Minnesota Statutes, section 356.55.

(b) An eligible person is a person who:

(1) was employed by special school district No. 1 (Minneapolis) as a long call reserve teacher from October 1972 to June 1973 and was covered by the Minneapolis employees retirement fund;

(2) was employed by special school district No. 1 (Minneapolis) as a school social worker at Franklin junior high school from August 28, 1973, through June 12, 1974, and from August 29, 1974, through June 11, 1975, without retirement coverage;

(3) was employed by special school district No. 1 (Minneapolis) as a school social worker at North high school from August 29, 1975, through December 19, 1975, covered by the Minneapolis teachers retirement fund association;

(4) was retained by special school district No. 1 (Minneapolis) in the capacity of a school social worker at North high school as an hourly wage social worker from August 1976 through June 1983 without retirement coverage; and

(5) is currently employed by Hennepin county covered by the public employees retirement association.

(c) The periods for allowable service credit purchase are August 28, 1973, through June 12, 1974; and August 29, 1974, through June 11, 1975.

(d) An eligible person must provide any relevant documentation related to eligibility to make this service credit purchase required by the executive director of the Minneapolis teachers retirement fund association.

(e) Allowable service credit for the purchase periods must be granted by the Minneapolis teachers retirement fund association to the account of the eligible person upon receipt of the prior service credit purchase payment amount. Authority provided by this section is voided if payment is not made before December 31, 2003, or before commencing receipt of an annuity from the Minneapolis teachers retirement fund association, whichever is earlier.

(f) The prior service credit purchase payment ~~amount shall be computed by the actuary retained by the legislative commission on pensions and retirement. That computation must give recognition~~, in applying the process stated in Minnesota Statutes, section 356.55, ~~give recognition~~ to the liabilities that would be created in the Minneapolis teachers retirement fund association and other Minnesota public pension funds due to the service credit purchase.

(g) Following receipt of that purchase payment amount, the executive director of the Minneapolis teachers retirement fund association shall allocate and transmit that amount to the applicable pension administrations, as determined under paragraph (f).

Sec. 2. [TEACHERS RETIREMENT ASSOCIATION; SERVICE CREDIT PURCHASE FOR SABBATICAL LEAVES.]

(a) Notwithstanding Minnesota Statutes, section 354.092, or any other law to the contrary, an eligible person described in paragraph (b) is entitled to purchase not more than three years of allowable service credit from the teachers retirement association for sabbatical leave as defined in Minnesota Statutes, section 122A.49.

(b) An eligible person is a person who:

(1) worked as a teacher for independent school district No. 191, Burnsville-Eagan-Savage;

(2) was on sabbatical leave at some time between January 1, 1982, and December 31, 1989; and

(3) did not receive service credit for time on sabbatical leave because the leave was not properly reported to the teachers retirement association.

(c) An eligible person described in paragraph (b) must apply with the executive director of the teachers retirement association to make a service credit purchase under this section. The application must be in writing and must include all necessary documentation of the applicability of this section and any other relevant information that the executive director may require.

(d) Allowable service credit for the purchase periods must be granted by the teachers retirement association to the account of an eligible person upon receipt of the portion of the prior service credit purchase payment amount payable under paragraph (e) in a lump sum by the applicable eligible person.

(e) Notwithstanding Minnesota Statutes, section 356.55 or 356.551, whichever is applicable, an eligible person may pay before September 1, 2003, or the date of termination from service, whichever is earlier, an amount equal to the employee contribution rate or rates in effect during the applicable sabbatical leave period or periods specified in paragraph (b) applied to the actual salary rate or rates in effect during that period or periods, plus annual compound interest at the rate of 8.5 percent from the midpoint of each applicable sabbatical leave period, to the date on which the payment is actually made. Independent school district No. 191 must pay the remaining balance of the prior service credit purchase payment amount calculated under Minnesota Statutes, section 356.55 or 356.551, whichever is applicable, within 30 days of the payment by an eligible person. The executive director of the teachers retirement association must notify the superintendent of independent school district No. 191 of its payment amount and payment due date if an eligible person makes the required payment.

(f) If independent school district No. 191 fails to pay its portion of the required prior service credit purchase payment amount, the executive director of the teachers retirement association must notify the commissioner of finance of that fact and the commissioner of finance must order that the required employer payment be deducted from the next subsequent payment or payments of state education aid to the school district and be transmitted to the teachers retirement association.

Sec. 3. [SPECIAL SCHOOL DISTRICT NO. 1; QUALIFIED PART-TIME TEACHER PROGRAM RETROACTIVE COVERAGE.]

(a) An eligible individual is a teacher who:

(1) was born on March 10, 1950;

(2) is a basic plan member of the Minneapolis teachers retirement fund association;

(3) first became a Minneapolis teachers retirement fund association member in August 1972; and

(4) entered into a job sharing arrangement with another Minneapolis teachers retirement fund association member for the 2001-2002 school year but failed to enter into a qualified part-time teacher agreement for that school year.

(b) Notwithstanding any provision of Minnesota Statutes, section 354A.094, to the contrary, an eligible individual described in paragraph (a) is authorized to receive full-time salary and service credit in the Minneapolis teachers retirement fund association basic program for service under Minnesota Statutes, section 354A.094, for the 2001-2002 school year, if all conditions required by this section are met.

(c) To receive the full-time equivalent service and salary credit for the 2001-2002 school year provided by this section, an eligible individual described in paragraph (a) must pay the applicable employee contribution under Minnesota Statutes, section 354A.12, subdivision 1, on the difference between the amount of the person's compensation from which employee contributions were actually deducted and the amount of the person's full-time equivalent salary under Minnesota Statutes, section 354A.094, subdivision 4. The employee must pay 8.5 percent interest, compounded daily, on all employee contributions required under this section, from the date the contributions would have occurred if the individual were employed on a full-time basis, until paid.

(d) If payment is made under paragraph (c), upon notification from the Minneapolis teachers retirement fund association, special school district No. 1, Minneapolis, must pay the applicable employer and additional employer contributions under Minnesota Statutes, section 354A.12, subdivision 2a, on the difference between the person's full-time equivalent salary and actual salary upon which contributions were previously made for the eligible individual. The employer must pay 8.5 percent interest, compounded daily, on all employer and employer additional contributions required under this section, from the date the contributions would have occurred if the individual were employed on a full-time basis, until paid.

(e) Payments under this section must be made in a lump sum to the Minneapolis teachers retirement fund association. Payment under paragraph (c) must occur on or before June 30, 2003, or the effective date of retirement, whichever is earlier. Payment by the employer under paragraph (d) must be made within 30 days following payment by the eligible employee.

(f) The eligible person must provide any relevant documentation that the Minneapolis teachers retirement fund association may request.

Sec. 4. [EFFECTIVE DATE.]

This article is effective the day following final enactment.

## ARTICLE 13

### VARIOUS ONE PERSON AND SMALL GROUP RETIREMENT CHANGES

Section 1. [TEACHERS RETIREMENT ASSOCIATION; COVERAGE ELECTION OPTION DEADLINE EXTENSION.]

(a) Notwithstanding any provision of Minnesota Statutes, section 354B.21, subdivision 2 or 3 to the contrary, an eligible person described in paragraph (b) is entitled to elect to continue retirement coverage by the teachers retirement association.

(b) An eligible person is a person who:

(1) was born on May 5, 1960;

(2) was first employed as a teacher for the 1982-1983 school year;

(3) was employed as a teacher by independent school district No. 345, New London-Spicer, from the 1984-1985 school year until the 1994-1995 school year;

(4) was employed as a teacher by independent school district No. 858, St. Charles, from the 1995-1996 school year through the 2001-2002 school year;

(5) was employed by the Riverland community college on August 22, 2002; and

(6) received a Minnesota state colleges and universities system retirement plan election form on August 27, 2002, but did not file the form by December 4, 2002, and received individual retirement account retirement plan coverage by default.

(c) The election of teachers retirement coverage must be made in writing by the eligible person and must be made on or before September 1, 2003.

(d) If an election of teachers retirement association coverage is made under this section, the Minnesota state colleges and universities system shall transfer from the individual retirement account plan member and employer contributions equal to ten percent of the eligible person's covered salary as an employee of the system from August 22, 2002, to the date of the coverage election under this section, plus annual interest at the rate of 8.5 percent. Upon the contribution transfer, the teachers retirement association shall credit the eligible person with allowable and formula service credit for the period August 22, 2002, to the date of the coverage election.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment.

#### ARTICLE 14

#### EXTENDED LEAVES

Section 1. Minnesota Statutes 2002, section 122A.46, subdivision 9, is amended to read:

Subd. 9. [BENEFITS.] A teacher on an extended leave of absence shall receive all of the health, accident, medical, surgical and hospitalization insurance or benefits, for both the teacher and the teacher's dependents, for which the teacher would otherwise be eligible if not on an extended leave. A teacher shall receive the coverage if such coverage is available from the school district's insurer, if the teacher requests the coverage, and if the teacher either (a) reimburses the district for the full amount of the premium necessary to maintain the coverage within one month ~~following~~ preceding the district's payment of the premium, or (b) if the district is wholly or partially self-insured, pays the district, according to a schedule agreed upon by the teacher and the school board, an amount determined by the school board to be the amount that would be charged for the coverage chosen by the teacher if the school board purchased all health, accident, medical, surgical and hospitalization coverage for its teachers from an insurer. A school district may enter into an agreement with a teacher in the district where the district agrees to pay all or a portion of the premium for such coverage. Any such agreement must include a sunset of eligibility to qualify for the payment.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to agreements in effect or entered into after that date. The sunset date of eligibility must not extend beyond June 30, 2005. The amendments to this section expire on July 1, 2005.

Sec. 2. Minnesota Statutes 2002, section 354.094, subdivision 1, is amended to read:

Subdivision 1. [SERVICE CREDIT CONTRIBUTIONS.] Upon granting any extended leave of absence under section 122A.46 or 136F.43, the employing unit granting the leave must certify the leave to the association on a form specified by the executive director. A member granted an extended leave of absence under section 122A.46 or 136F.43 may pay employee contributions and receive allowable service credit toward annuities and other benefits under this chapter, for each year of the leave, provided that the member and the employing board make the required employer contribution in any proportion they may agree upon, during the period of the leave. The employer may enter into an agreement with a teacher in the district under which all or a portion of the employee's contribution is paid by the employer. Any such agreement must include a sunset of eligibility to qualify for the payment and must not be a part of the collective bargaining agreement. The leave period must not exceed five years. A member may

not receive more than five years of allowable service credit under this section. The employee and employer contributions must be based upon the rates of contribution prescribed by section 354.42 for the salary received during the year immediately preceding the extended leave. Payments for the years for which a member is receiving service credit while on extended leave must be made on or before the later of June 30 of each fiscal year for which service credit is received or within 30 days after first notification of the amount due, if requested by the member, is given by the association. No payment is permitted after the following September 30. Payments received after June 30 must include interest at an annual rate of 8.5 percent from June 30 through the end of the month in which payment is received. Notwithstanding the provisions of any agreements to the contrary, employee and employer contributions may not be made to receive allowable service credit if the member does not have full reinstatement rights as provided in section 122A.46 or 136F.43, both during and at the end of the extended leave.

Any school district paying the employee's retirement contributions under this section shall forward to the applicable retirement association or retirement fund a copy of the agreement executed by the school district and the employee.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to agreements in effect or entered into after that date. The sunset date of eligibility must not extend beyond June 30, 2005. The amendments to this section expire on July 1, 2005.

### Sec. 3. [REPORT.]

By February 1, 2005, the executive director of the teachers retirement association, the executive secretary of the Duluth teachers retirement fund association, the executive director of the St. Paul teachers retirement fund association, and the executive director of the Minneapolis teachers retirement fund association shall submit a report to the chair of the legislative commission on pensions and retirement summarizing the agreements entered into under Minnesota Statutes, section 354.094, subdivision 1, on or before December 31, 2004."

Adjust amounts accordingly

Renumber or reletter in sequence and correct the internal references

Amend the title accordingly

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 749 was read for the second time.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1524.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 1524, A bill for an act relating to state government; appropriating money for the general legislative and administrative expenses of state government, criminal justice, and economic development; modifying provisions relating to state and local government operations; modifying certain fee and revenue provisions; modifying certain board and commission provisions; modifying certain public safety and judiciary provisions; amending Minnesota Statutes 2002, sections 3.885, subdivision 1; 3A.11, subdivision 1; 10A.02, by adding a subdivision; 10A.025, subdivision 2; 10A.04, by adding subdivisions; 10A.34, subdivision 1a, by adding a subdivision; 13.072, subdivisions 1, 2; 13.87, subdivision 3; 14.48, subdivision 3; 16A.11, subdivision 3; 16A.1285, subdivision 3; 16A.40; 16B.24, subdivision 5; 16B.465, subdivision 7; 16B.48, subdivision 2; 16B.54, by adding a subdivision; 16C.02, subdivision 6; 16C.05, subdivision 2, by adding a subdivision; 16C.06, subdivision 1; 16C.08, subdivisions 2, 3, 4, by adding a subdivision; 16D.08, subdivision 2; 16E.01, subdivision 3; 16E.07, subdivision 9; 43A.17, subdivision 9; 116J.8771; 154.18; 197.608; 239.101, subdivision 3, by adding a subdivision; 240.03; 240.10; 240.15, subdivision 6; 240.155, subdivision 1; 240A.03, subdivision 10; 240A.04; 240A.06, subdivision 1; 256B.435, subdivision 2a; 270.052; 270.44; 270A.07, subdivision 1; 271.06, subdivision 4; 289A.08, subdivision 16; 299C.10, subdivision 4, by adding a subdivision; 299C.48; 299F.46, subdivision 1, by adding subdivisions; 299M.03, by adding a subdivision; 303.14; 340A.301, by adding a subdivision; 349A.08, subdivision 5; 349A.15; 357.021, subdivisions 2, 7; 357.022; 357.08; 403.02, subdivision 10; 403.06; 403.07, subdivisions 1, 2, 3; 403.09, subdivision 1; 403.11; 403.113; 473.891, subdivision 10, by adding a subdivision; 473.898, subdivisions 1, 3; 473.901; 473.902, by adding a subdivision; 473.907, subdivision 1; 611A.72; 611A.73, subdivisions 2, 6; 611A.74; 624.22, subdivision 1; Laws 1998, chapter 366, section 80, as amended; Laws 2001, First Special Session chapter 8, article 4, section 2; proposing coding for new law in Minnesota Statutes, chapters 5; 15; 16C; 326; 473; repealing Minnesota Statutes 2002, sections 16B.50; 16C.07; 123B.73.

The bill was read for the first time.

Haas moved that S. F. No. 1524 and H. F. No. 749, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

**CERTIFICATION PURSUANT TO RULE 4.03  
ON FINANCE AND REVENUE BILLS**

April 30, 2003

Edward A. Burdick  
Chief Clerk of the House of Representatives  
The State of Minnesota

Dear Mr. Burdick:

House Rule 4.03 requires the Chair of the Committee on Ways and Means to certify to the House of Representatives that the Committee has reconciled any finance and revenue bills with the budget resolution and targets.

Please accept this letter as certification that H. F. No. 748, Jobs and Economic Development appropriations bill, and H. F. No. 1404, E-12 Education appropriations bill, reconcile with the budget resolution and targets.

Sincerely,

REPRESENTATIVE JIM KNOBLACH  
Chair, House Ways and Means Committee

**FISCAL CALENDAR**

Pursuant to rule 1.22, Knoblach requested immediate consideration of H. F. No. 1404.

H. F. No. 1404 was reported to the House.

The Speaker called Abrams to the Chair.

Smith moved to amend H. F. No. 1404, the second engrossment, as follows:

Page 171, after line 24, insert:

"Sec. 31. [FUND TRANSFER; WESTONKA.]

Notwithstanding Minnesota Statutes, sections 123B.79, 123B.80, and 475.61, subdivision 4, independent school district No. 277, Westonka, on June 30, 2003, may permanently transfer up to \$170,000 from its debt redemption fund to its general fund without making a levy reduction.

**[EFFECTIVE DATE.]** This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Sertich moved to amend the Smith amendment to H. F. No. 1404, the second engrossment, as follows:

Page 1, line 4, delete "; WESTONKA"

Page 1, line 5, before "Notwithstanding" insert "Subdivision 1. [WESTONKA.]"

Page 1, after line 9, insert:

"Subd. 2. [CHISHOLM.] Notwithstanding Minnesota Statutes, section 123B.79 or 123B.80, on June 30, 2003, independent school district No. 695, Chisholm, may permanently transfer up to \$500,000 from its reserved operating capital account in its general fund to the undesignated fund balance."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 57 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lesch	Otto	Smith
Atkins	Ellison	Jaros	Lieder	Paymar	Solberg
Bernardy	Entenza	Johnson, S.	Mahoney	Pelowski	Thao
Biernat	Goodwin	Juhnke	Mariani	Peterson	Thissen
Carlson	Greiling	Kahn	Marquart	Pugh	Wagenius
Clark	Hausman	Kelliher	Mullery	Rhodes	Walker
Davnie	Hilstrom	Koenen	Murphy	Rukavina	Wasiluk
Dill	Hilty	Larson	Nelson, M.	Sertich	
Dorman	Hornstein	Latz	Opatz	Sieben	
Dorn	Howes	Lenczewski	Osterman	Slawik	

Those who voted in the negative were:

Abeler	Davids	Harder	Lindner	Ruth	Vandever
Abrams	DeLaForest	Holberg	Lipman	Samuelson	Walz
Adolphson	Demmer	Hoppe	Magnus	Seagren	Wardlow
Anderson, B.	Dempsey	Jacobson	McNamara	Seifert	Westerberg
Anderson, J.	Eastlund	Johnson, J.	Nelson, C.	Severson	Westrom
Blaine	Erhardt	Kielkucki	Nelson, P.	Simpson	Wilkin
Borrell	Erickson	Klinzing	Nornes	Soderstrom	Zellers
Boudreau	Finstad	Knoblach	Olsen, S.	Stang	Spk. Sviggum
Bradley	Fuller	Kohls	Olson, M.	Strachan	
Brod	Gerlach	Krinkie	Ozment	Swenson	
Buesgens	Gunther	Kuisle	Paulsen	Sykora	
Cornish	Haas	Lanning	Penas	Tingelstad	
Cox	Hackbarth	Lindgren	Powell	Urdahl	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Smith amendment and the roll was called. There were 62 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lieder	Otto	Solberg
Atkins	Ellison	Jaros	Lindner	Paymar	Swenson
Bernardy	Entenza	Johnson, S.	Lipman	Pelowski	Thao
Biernat	Goodwin	Juhnke	Mahoney	Peterson	Thissen
Blaine	Greiling	Kahn	Mariani	Pugh	Wagenius
Carlson	Hackbarth	Kelliher	Marquart	Rhodes	Walker
Clark	Hausman	Koenen	Mullery	Rukavina	Wasiluk
Davnie	Hilstrom	Larson	Murphy	Sertich	
Dill	Hilty	Latz	Nelson, M.	Sieben	
Dorman	Hornstein	Lenczewski	Opatz	Slawik	
Dorn	Howes	Lesch	Osterman	Smith	

Those who voted in the negative were:

Abeler	Davids	Harder	Lanning	Powell	Urdahl
Abrams	DeLaForest	Heidgerken	Lindgren	Ruth	Vandever
Adolphson	Demmer	Holberg	Magnus	Samuelson	Walz
Anderson, B.	Dempsey	Hoppe	McNamara	Seagren	Wardlow
Anderson, J.	Eastlund	Jacobson	Nelson, C.	Seifert	Westerberg
Borrell	Erhardt	Johnson, J.	Nelson, P.	Severson	Westrom
Boudreau	Erickson	Kielkucki	Nornes	Simpson	Wilkin
Bradley	Finstad	Klinzing	Olsen, S.	Soderstrom	Zellers
Brod	Fuller	Knoblach	Olson, M.	Stang	Spk. Sviggum
Buesgens	Gerlach	Kohls	Ozment	Strachan	
Cornish	Gunther	Krinkie	Paulsen	Sykora	
Cox	Haas	Kuisle	Penas	Tingelstad	

The motion did not prevail and the amendment was not adopted.

Slawik moved to amend H. F. No. 1404, the second engrossment, as follows:

Page 178, delete lines 33 to 36

Page 179, delete lines 1 to 3

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Slawik amendment and the roll was called. There were 58 yeas and 73 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lesch	Otto	Solberg
Anderson, J.	Ellison	Jaros	Lieder	Paymar	Thao
Atkins	Entenza	Johnson, S.	Mahoney	Pelowski	Thissen
Bernardy	Goodwin	Juhnke	Mariani	Peterson	Tingelstad
Biernat	Greiling	Kahn	Marquart	Pugh	Urdahl
Carlson	Hausman	Kelliher	Mullery	Rhodes	Wagenius
Clark	Hilstrom	Koenen	Murphy	Rukavina	Walker
Davnie	Hilty	Larson	Nelson, M.	Sertich	Wasiluk
Dill	Hornstein	Latz	Opatz	Sieben	
Dorn	Howes	Lenczewski	Osterman	Slawik	

Those who voted in the negative were:

Abeler	Anderson, B.	Boudreau	Buesgens	Davids	Dempsey
Abrams	Blaine	Bradley	Cornish	DeLaForest	Dorman
Adolphson	Borrell	Brod	Cox	Demmer	Eastlund

Erhardt	Holberg	Lanning	Olson, M.	Simpson	Westerberg
Erickson	Hoppe	Lindgren	Ozment	Smith	Westrom
Finstad	Jacobson	Lindner	Paulsen	Soderstrom	Wilkin
Fuller	Johnson, J.	Lipman	Penas	Stang	Zellers
Gerlach	Kielkucki	Magnus	Powell	Strachan	Spk. Sviggum
Gunther	Klinzing	McNamara	Ruth	Swenson	
Haas	Knoblach	Nelson, C.	Samuelson	Sykora	
Hackbarth	Kohls	Nelson, P.	Seagren	Vanderveer	
Harder	Krinkie	Nornes	Seifert	Walz	
Heidgerken	Kuisle	Olsen, S.	Severson	Wardlow	

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Larson and Thissen moved to amend H. F. No. 1404, the second engrossment, as follows:

Page 43, after line 20, insert:

"Sec. 50. Laws 2000, chapter 489, article 2, section 36, as amended by Laws 2001, First Special Session chapter 6, article 1, section 44, is amended to read:

Sec. 44. Laws 2000, chapter 489, article 2, section 36, is amended to read:

Sec. 36. [FISCAL YEARS ~~2004~~ 2006 TO ~~2008~~ 2009 AIRPORT RUNWAY IMPACT PUPIL UNIT AID; RICHFIELD.]

Subdivision 1. [AIRPORT IMPACT ZONE PUPIL UNITS, DEFINITION.] For the purposes of this section, "airport impact zone pupil units" means the number of pupil units, according to Minnesota Statutes 1999 Supplement, section 126C.05, subdivision 1, in school year 1998-1999 that were attributable to the airport impact zone, as defined in Laws 1999, chapter 243, article 16, section 35, subdivision 1.

Subd. 2. [FISCAL YEAR ~~2004~~ 2006.] For fiscal year ~~2004~~ 2006 only, independent school district No. 280, Richfield, is eligible for declining pupil unit aid equal to the product of 70 percent of the airport impact zone pupil units times the general education formula allowance for fiscal year ~~2004~~ 2006.

Subd. 3. [FISCAL YEAR ~~2005~~ 2007.] For fiscal year ~~2005~~ 2007 only, independent school district No. 280, Richfield, is eligible for declining pupil unit aid equal to the product of 70 percent of the airport impact zone pupil units times the general education formula allowance for fiscal year ~~2005~~ 2007.

Subd. 4. [FISCAL YEAR ~~2006~~ 2008.] For fiscal year ~~2006~~ 2008 only, independent school district No. 280, Richfield, is eligible for declining pupil unit aid equal to the product of 52.5 percent of the airport impact zone pupil units times the general education formula allowance for fiscal year ~~2006~~ 2008.

Subd. 5. [FISCAL YEAR ~~2007~~ 2009.] For fiscal year ~~2007~~ 2009 only, independent school district No. 280, Richfield, is eligible for declining pupil unit aid equal to the product of 35 percent of the airport impact zone pupil units times the general education formula allowance for fiscal year ~~2007~~ 2009.

Subd. 6. [FISCAL YEAR ~~2008~~ 2010.] For fiscal year ~~2008~~ 2010 only, independent school district No. 280, Richfield, is eligible for declining pupil unit aid equal to the product of 17.5 percent of the airport impact zone pupil units times the general education formula allowance for fiscal year ~~2008~~ 2010."

Page 46, delete lines 18 to 21

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Seagren moved to amend H. F. No. 1404, the second engrossment, as follows:

Page 95, after line 31, insert:

"A qualifying district or site receiving alternative teacher compensation funding under this subdivision may use the funding it receives to participate in a national program for enhancing teacher professionalism."

The motion prevailed and the amendment was adopted.

Ellison moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 89, after line 27, insert:

"Sec. 56. [PILOT PROJECT TO EVALUATE PARENT INVOLVEMENT POLICIES AND STRATEGIES.]

Subdivision 1. [DISTRICT AND SCHOOL SITE POLICY EVALUATION.] A school board may elect to participate in a two-year pilot project to evaluate parent involvement policies and strategies in the district and in school sites, with the goal of improving the academic achievement of all students within the district, including at-risk students.

Subd. 2. [PARENT INVOLVEMENT REVIEW COMMITTEES.] A school board electing to participate and interested school sites within that district must establish a parent involvement review committee or expand the purview of an existing committee composed of a majority of parents. The committees must evaluate the effectiveness of district and school site programs and strategies intended to provide all parents with meaningful opportunities to participate in the process of educating students. The committees, among other things, may evaluate the operation of the instruction and curriculum advisory committee or building team under Minnesota Statutes, section 120B.11, or parent involvement programs developed under Minnesota Statutes, section 124D.895. A majority of committee members must be parents of students enrolled in the district or school site, if applicable. The committee also must include teachers employed by the district and who teach at a school site, if applicable. A district must assist participating school sites at the request of the school site.

Subd. 3. [NOTICE OF PARTICIPATION; NOTICE TO PARENTS.] (a) A school board electing to participate under this section must notify the commissioner of children, families, and learning of its participation and the participation of interested school sites on a form supplied by the commissioner. The commissioner may assist participating districts and school sites at the request of the district or school site.

(b) Participating school districts must transmit timely effective notice of this project to parent organizations throughout the district and to parents of children enrolled in district schools.

Subd. 4. [REPORT.] Participating districts and school sites must report the findings of the evaluation and related recommendations annually by March 1 to the school board, which shall transmit a summary of the findings and recommendations to the commissioner. Information the commissioner receives under this subdivision may be used to modify guidelines and model plans for parent involvement programs under Minnesota Statutes, section 124D.895.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to the 2003-2004 and 2004-2005 school years."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Ellison amendment and the roll was called. There were 72 yeas and 56 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Hornstein	Lesch	Paymar	Smith
Anderson, J.	Eken	Jaros	Lieder	Pelowski	Solberg
Atkins	Ellison	Johnson, S.	Magnus	Penas	Sykora
Bernardy	Entenza	Juhnke	Mahoney	Peterson	Thao
Biernat	Erhardt	Kahn	Mariani	Pugh	Thissen
Blaine	Goodwin	Kelliher	Marquart	Rhodes	Tingelstad
Boudreau	Greiling	Knoblach	Mullery	Rukavina	Urdahl
Carlson	Harder	Koenen	Nelson, C.	Ruth	Wagenius
Clark	Hausman	Lanning	Nelson, M.	Seagren	Walker
Cox	Heidgerken	Larson	Opatz	Sertich	Walz
Davnie	Hilstrom	Latz	Osterman	Sieben	Wasiluk
Dill	Hilty	Lenczewski	Otto	Slawik	Westrom

Those who voted in the negative were:

Abeler	Buesgens	Eastlund	Hackbarth	Klinzing	McNamara
Abrams	Cornish	Erickson	Holberg	Kohls	Nelson, P.
Adolphson	Dauids	Finstad	Hoppe	Krinkie	Nornes
Anderson, B.	DeLaForest	Fuller	Howes	Kuisle	Olsen, S.
Borrell	Demmer	Gerlach	Jacobson	Lindgren	Olson, M.
Bradley	Dempsey	Gunther	Johnson, J.	Lindner	Ozment
Brod	Dorman	Haas	Kielkucki	Lipman	Paulsen

Powell	Simpson	Strachan	Wardlow	Zellers
Samuelson	Soderstrom	Swenson	Westerberg	Spk. Sviggum
Severson	Stang	Vandev eer	Wilkin	

The motion prevailed and the amendment was adopted.

Dorman moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 33, after line 27, insert:

"(e) For fiscal years 2005 and later, a district's maximum referendum revenue allowance under this subdivision is reduced each year by 25 percent of the difference between the formula allowance for that year and \$4,601."

Page 43, after line 34, insert:

"Sec. 52. [REFERENDUM REVENUE.]

Notwithstanding any law to the contrary, for taxes payable in 2012 and later, all referendum revenue authority authorized under section 126C.17 expires."

Page 46, after line 21, insert:

"(f) Minnesota Statutes, section 126C.17, is repealed for taxes payable in 2012."

A roll call was requested and properly seconded.

The question was taken on the Dorman amendment and the roll was called. There were 5 yeas and 124 nays as follows:

Those who voted in the affirmative were:

Dorman	Heidgerken	Jaros	Rukavina	Sertich
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Those who voted in the negative were:

Abeler	Buesgens	Entenza	Hilty	Knoblach	Magnus
Abrams	Carlson	Erhardt	Holberg	Koenen	Mahoney
Adolphson	Clark	Erickson	Hoppe	Kohls	Mariani
Anderson, B.	Cornish	Finstad	Hornstein	Krinkie	Marquart
Anderson, I.	Cox	Fuller	Howes	Kuisle	McNamara
Anderson, J.	Davids	Gerlach	Huntley	Lanning	Mullery
Atkins	Davnie	Goodwin	Jacobson	Larson	Murphy
Bernardy	DeLaForest	Greiling	Johnson, J.	Latz	Nelson, C.
Biernat	Demmer	Gunther	Johnson, S.	Lenczewski	Nelson, M.
Blaine	Dempsey	Haas	Juhnke	Lesch	Nelson, P.
Borrell	Dorn	Hackbarth	Kahn	Lieder	Nornes
Boudreau	Eastlund	Harder	Kelliher	Lindgren	Olsen, S.
Bradley	Eken	Hausman	Kielkucki	Lindner	Olson, M.
Brod	Ellison	Hilstrom	Klinzing	Lipman	Opatz

Osterman	Peterson	Seifert	Solberg	Tingelstad	Westerberg
Otto	Powell	Severson	Stang	Urdahl	Westrom
Ozment	Pugh	Sieben	Strachan	Vandever	Wilkin
Paulsen	Rhodes	Simpson	Swenson	Wagenius	Zellers
Paymar	Ruth	Slawik	Sykora	Walz	Spk. Sviggum
Pelowski	Samuelson	Smith	Thao	Wardlow	
Penas	Seagren	Soderstrom	Thissen	Wasiluk	

The motion did not prevail and the amendment was not adopted.

Anderson, J.; Davids and Dorman moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Pages 82, 83 and 84, delete section 47

Page 84, delete section 48

Page 92, delete section 60

Page 97, delete lines 33 and 34

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker called Abrams to the Chair.

Sykora moved to amend the Anderson, J., et al amendment to H. F. No. 1404, the second engrossment, as amended, as follows:

Page 1, delete line 6

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 72 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Blaine	Buesgens	Dorman	Fuller	Harder
Abrams	Borrell	Cornish	Eastlund	Gerlach	Holberg
Adolphson	Boudreau	Cox	Erhardt	Gunther	Hoppe
Anderson, B.	Bradley	DeLaForest	Erickson	Haas	Howes
Beard	Brod	Demmer	Finstad	Hackbarth	Jacobson

Johnson, J.	Lanning	Nelson, P.	Powell	Smith	Vandev eer
Kielkucki	Lindgren	Nornes	Rhodes	Soderstrom	Walz
Klinzing	Lindner	Olson, M.	Ruth	Stang	Westerberg
Knoblach	Lipman	Osterman	Samuelson	Strachan	Westrom
Kohls	Magnus	Ozment	Seagren	Swenson	Wilkin
Krinkie	McNamara	Paulsen	Seifert	Sykora	Zellers
Kuisle	Nelson, C.	Penas	Simpson	Tingelstad	Spk. Sviggum

Those who voted in the negative were:

Anderson, I.	Dill	Hilty	Latz	Olsen, S.	Sieben
Anderson, J.	Dorn	Hornstein	Lenczewski	Opatz	Slawik
Atkins	Eken	Huntley	Lesch	Otto	Solberg
Bernardy	Ellison	Jaros	Lieder	Paymar	Thao
Biernat	Entenza	Johnson, S.	Mahoney	Pelowski	Thissen
Carlson	Goodwin	Juhnke	Mariani	Peterson	Urdahl
Clark	Greiling	Kahn	Marquart	Pugh	Wagenius
Davids	Hausman	Kelliher	Mullery	Rukavina	Walker
Davnie	Heidgerken	Koenen	Murphy	Sertich	Wardlow
Dempsey	Hilstrom	Larson	Nelson, M.	Severson	Wasiluk

The motion prevailed and the amendment to the amendment was adopted.

Davnie offered an amendment to the Anderson, J., et al amendment, as amended, to H. F. No. 1404, the second engrossment, as amended.

Davnie requested a division of his amendment to the Anderson, J., et al amendment, as amended, to H. F. No. 1404, the second engrossment, as amended.

Davnie further requested that the second portion of the divided Davnie amendment to the Anderson, J., et al amendment, as amended, be voted on first.

Seifert requested a division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended.

The first part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, reads as follows:

Page 1, delete lines 3 to 5 and insert:

"Pages 82 to 142, delete article 4, sections 3 and 23"

A roll call was requested and properly seconded.

The question was taken on the first part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, and the roll was called. There were 66 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dill	Hornstein	Lenczewski	Opatz	Severson
Anderson, J.	Dorn	Howes	Lesch	Osterman	Sieben
Atkins	Eken	Huntley	Lieder	Otto	Slawik
Bernardy	Ellison	Jaros	Lindgren	Ozment	Smith
Biernat	Entenza	Johnson, S.	Mahoney	Paymar	Solberg
Carlson	Goodwin	Juhnke	Mariani	Pelowski	Thao
Clark	Greiling	Kahn	Marquart	Peterson	Thissen
Cornish	Hackbarth	Kelliher	McNamara	Pugh	Tingelstad
Davnie	Hausman	Koenen	Mullery	Rhodes	Wagenius
DeLaForest	Hilstrom	Larson	Murphy	Rukavina	Walker
Dempsey	Hilty	Latz	Nelson, M.	Sertich	Wasiluk

Those who voted in the negative were:

Abeler	Cox	Haas	Krinkie	Paulsen	Swenson
Abrams	Davids	Harder	Kuisle	Penas	Sykora
Adolphson	Demmer	Heidgerken	Lanning	Powell	Urdahl
Anderson, B.	Dorman	Holberg	Lindner	Ruth	Vanderveer
Beard	Eastlund	Hoppe	Lipman	Samuelson	Walz
Blaine	Erhardt	Jacobson	Magnus	Seagren	Wardlow
Borrell	Erickson	Johnson, J.	Nelson, C.	Seifert	Westerberg
Boudreau	Finstad	Kielkucki	Nelson, P.	Simpson	Westrom
Bradley	Fuller	Klinzing	Nornes	Soderstrom	Wilkin
Brod	Gerlach	Knoblach	Olsen, S.	Stang	Zellers
Buesgens	Gunther	Kohls	Olson, M.	Strachan	Spk. Sviggum

The motion did not prevail and the first part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, was not adopted.

The second part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, reads as follows:

Page 1, delete lines 3 to 5 and insert:

"Pages 82 to 84 and 92, delete article 2, sections 47, 48 and 60"

A roll call was requested and properly seconded.

The question was taken on the second part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, and the roll was called. There were 96 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Abeler	Anderson, I.	Bernardy	Brod	Cornish	DeLaForest
Abrams	Anderson, J.	Biernat	Carlson	Davids	Dempsey
Adolphson	Atkins	Blaine	Clark	Davnie	Dill

Dorman	Heidgerken	Lanning	Nelson, C.	Pugh	Solberg
Dorn	Hilstrom	Larson	Nelson, M.	Rhodes	Stang
Eken	Hilty	Latz	Nelson, P.	Rukavina	Swenson
Ellison	Hornstein	Lenczewski	Nornes	Ruth	Thao
Entenza	Howes	Lesch	Olsen, S.	Samuelson	Thissen
Erhardt	Huntley	Lieder	Opatz	Seifert	Tingelstad
Finstad	Jacobson	Lindgren	Osterman	Sertich	Urdahl
Fuller	Jaros	Mahoney	Otto	Severson	Wagenius
Goodwin	Johnson, S.	Mariani	Ozment	Sieben	Walker
Greiling	Juhnke	Marquart	Paymar	Simpson	Walz
Gunther	Kahn	McNamara	Pelowski	Slawik	Wardlow
Haas	Kelliher	Mullery	Penas	Smith	Wasiluk
Hausman	Koenen	Murphy	Peterson	Soderstrom	Westerberg

Those who voted in the negative were:

Anderson, B.	Cox	Harder	Knoblach	Magnus	Sykora
Beard	Demmer	Holberg	Kohls	Olson, M.	Vandever
Borrell	Eastlund	Hoppe	Krinkie	Paulsen	Westrom
Boudreau	Erickson	Johnson, J.	Kuisle	Powell	Wilkin
Bradley	Gerlach	Kielkucki	Lindner	Seagren	Zellers
Buesgens	Hackbarth	Klinzing	Lipman	Strachan	Spk. Sviggum

The motion prevailed and the second part of the Seifert division of the second portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, was adopted.

The first portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, reads as follows:

Page 1, after line 2, insert:

"Page 54, delete section 15"

A roll call was requested and properly seconded.

The question was taken on the first portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, and the roll was called. There were 63 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	Dempsey	Hornstein	Lenczewski	Osterman	Slawik
Anderson, I.	Dill	Howes	Lesch	Otto	Smith
Anderson, J.	Dorn	Huntley	Lieder	Ozment	Solberg
Atkins	Eken	Jaros	Mahoney	Paymar	Thao
Bernardy	Ellison	Johnson, S.	Mariani	Pelowski	Thissen
Biernat	Entenza	Juhnke	Marquart	Peterson	Wagenius
Brod	Goodwin	Kahn	McNamara	Pugh	Walker
Carlson	Greiling	Kelliher	Mullery	Rhodes	Wasiluk
Clark	Hausman	Koenen	Murphy	Rukavina	
Cornish	Hilstrom	Larson	Nelson, M.	Sertich	
Davnie	Hilty	Latz	Opatz	Sieben	

Those who voted in the negative were:

Abrams	Demmer	Heidgerken	Lindgren	Ruth	Urdahl
Adolphson	Dorman	Holberg	Lindner	Samuelson	Vandever
Anderson, B.	Eastlund	Hoppe	Lipman	Seagren	Walz
Beard	Erhardt	Jacobson	Magnus	Seifert	Wardlow
Blaine	Erickson	Johnson, J.	Nelson, C.	Severson	Westerberg
Borrell	Finstad	Kielkucki	Nelson, P.	Simpson	Westrom
Boudreau	Fuller	Klinzing	Nornes	Soderstrom	Wilkin
Bradley	Gerlach	Knoblach	Olsen, S.	Stang	Zellers
Buesgens	Gunther	Kohls	Olson, M.	Strachan	Spk. Sviggum
Cox	Haas	Krinkie	Paulsen	Swenson	
Davids	Hackbarth	Kuisle	Penas	Sykora	
DeLaForest	Harder	Lanning	Powell	Tingelstad	

The motion did not prevail and the first portion of the Davnie amendment to the Anderson, J., et al amendment, as amended, was not adopted.

The question recurred on the Anderson, J., et al amendment, as amended, and the roll was called. There were 98 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hornstein	Magnus	Pelowski	Stang
Abrams	Dorman	Howes	Mahoney	Penas	Swenson
Adolphson	Dorn	Huntley	Mariani	Peterson	Thao
Anderson, I.	Eken	Jacobson	Marquart	Pugh	Thissen
Anderson, J.	Ellison	Jaros	McNamara	Rhodes	Tingelstad
Atkins	Entenza	Johnson, S.	Mullery	Rukavina	Urdahl
Bernardy	Erhardt	Juhnke	Murphy	Ruth	Wagenius
Biernat	Finstad	Kahn	Nelson, C.	Samuelson	Walker
Blaine	Fuller	Kelliher	Nelson, M.	Seifert	Walz
Brod	Goodwin	Koenen	Nelson, P.	Sertich	Wardlow
Carlson	Greiling	Lanning	Nornes	Severson	Wasiluk
Clark	Gunther	Larson	Olsen, S.	Sieben	Westerberg
Cornish	Haas	Latz	Opatz	Simpson	Westrom
Davids	Hausman	Lenczewski	Osterman	Slawik	
Davnie	Heidgerken	Lesch	Otto	Smith	
DeLaForest	Hilstrom	Lieder	Ozment	Soderstrom	
Dempsey	Hilty	Lindgren	Paymar	Solberg	

Those who voted in the negative were:

Anderson, B.	Cox	Harder	Knoblach	Olson, M.	Vandever
Beard	Demmer	Holberg	Kohls	Paulsen	Wilkin
Borrell	Eastlund	Hoppe	Krinkie	Powell	Zellers
Boudreau	Erickson	Johnson, J.	Kuisle	Seagren	Spk. Sviggum
Bradley	Gerlach	Kielkucki	Lindner	Strachan	
Buesgens	Hackbarth	Klinzing	Lipman	Sykora	

The motion prevailed and the amendment, as amended, was adopted.

The Speaker resumed the Chair.

Beard was excused for the remainder of today's session.

Olson, M.; Pelowski; Sieben; Mahoney; Otto; Greiling; Carlson; Mariani; Bernardy; Borrell; Lindner; Eken; Davnie; Walker; Slawik and Goodwin moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 200, delete lines 34 to 36

Page 201, delete lines 1 to 8 and insert:

"Sec. 21. [FINANCIAL ANALYSIS; CONTRACTS.]

The office of the legislative auditor shall submit to the chair of the senate education committee, the chair of the senate E-12 education budget division, the chair of the house of representatives education policy committee, and the chair of the house of representatives education finance committee before January 15, 2004, a detailed financial analysis and report that provides the following information:

(1) the total amount of projected additional costs, direct and indirect, associated with the No Child Left Behind Act of 2001 compliance for the state and local school districts during the fiscal year 2004 and fiscal year 2005 biennium and through the fiscal year 2013 and fiscal year 2014;

(2) the amount of new federal funds that are reasonably expected to be provided to the state and local school districts during the fiscal year 2004 and fiscal year 2005 biennium for the costs identified in clause (1); and

(3) the financial consequences to the state and each individual school district of noncompliance with the No Child Left Behind Act of 2001.

(b) The proposed consolidated state plan to be submitted by May 1, 2003, or any other contract or agreement under the provisions of the No Child Left Behind Act of 2001, shall include a notification that any commitment by the department of children, families, and learning to the federal Department of Education on implementing the No Child Left Behind Act of 2001 shall expire on June 1, 2004, unless legislation affirming the implementation of the act is enacted before that date. If the consolidated state plan, or any other contract or agreement, does not include the notification, the plan or any other contract or agreement shall be revoked.

[EFFECTIVE DATE.] This section is effective the day following final enactment and applies to existing agency contracts or agreements."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Kielkucki moved to amend the Olson, M., et al amendment to H. F. No. 1404, the second engrossment, as amended, as follows:

Page 2, delete lines 1 to 11

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Olson, M., et al amendment, as amended, and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hilstrom	Larson	Osterman	Soderstrom
Abrams	Dempsey	Hilty	Latz	Otto	Solberg
Adolphson	Dill	Holberg	Lenczewski	Ozment	Stang
Anderson, B.	Dorman	Hoppe	Lesch	Paulsen	Strachan
Anderson, I.	Dorn	Hornstein	Lieder	Paymar	Swenson
Anderson, J.	Eastlund	Howes	Lindgren	Pelowski	Sykora
Atkins	Eken	Huntley	Lindner	Penas	Thao
Bernardy	Ellison	Jacobson	Lipman	Peterson	Thissen
Biernat	Entenza	Jaros	Magnus	Powell	Tingelstad
Blaine	Erhardt	Johnson, J.	Mahoney	Pugh	Urdahl
Borrell	Erickson	Johnson, S.	Mariani	Rhodes	Vandever
Boudreau	Finstad	Juhnke	Marquart	Rukavina	Wagenius
Bradley	Fuller	Kahn	McNamara	Ruth	Walker
Brod	Gerlach	Kelliher	Mullery	Samuelson	Walz
Buesgens	Goodwin	Kielkucki	Murphy	Seagren	Wardlow
Carlson	Greiling	Klinzing	Nelson, C.	Seifert	Wasiluk
Clark	Gunther	Knoblach	Nelson, M.	Sertich	Westerberg
Cornish	Haas	Koenen	Nelson, P.	Severson	Westrom
Cox	Hackbarth	Kohls	Nornes	Sieben	Wilkin
Davids	Harder	Krinkie	Olsen, S.	Simpson	Zellers
Davnie	Hausman	Kuisle	Olson, M.	Slawik	Spk. Sviggum
DeLaForest	Heidgerken	Lanning	Opatz	Smith	

The motion prevailed and the amendment, as amended, was adopted.

The Speaker called Abrams to the Chair.

Bernardy, Goodwin and Eken moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 29, line 32, after "2003" insert "plus the greater of zero or the difference between the district's compensatory revenue per pupil for fiscal year 2004 and the district's compensatory reserve per pupil for fiscal year 2003, calculated according to Minnesota Statutes 2002,"

Page 154, line 29, delete "77" and insert "76.4"

Page 159, lines 7 and 27, delete "77" and insert "76.4"

A roll call was requested and properly seconded.

The question was taken on the Bernardy et al amendment and the roll was called. There were 55 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Biernat	Davnie	Eken	Goodwin	Hilstrom
Atkins	Carlson	Dill	Ellison	Greiling	Hilty
Bernardy	Clark	Dorn	Entenza	Hausman	Hornstein

Howes	Koenen	Mariani	Otto	Sieben	Wasiluk
Huntley	Larson	Marquart	Paymar	Slawik	Westerberg
Jaros	Latz	Mullery	Pelowski	Solberg	
Johnson, S.	Lenczewski	Murphy	Peterson	Thao	
Juhnke	Lesch	Nelson, M.	Pugh	Thissen	
Kahn	Lieder	Opatz	Rukavina	Wagenius	
Kelliher	Mahoney	Otremba	Sertich	Walker	

Those who voted in the negative were:

Abeler	Davids	Hackbarth	Lanning	Paulsen	Strachan
Abrams	DeLaForest	Harder	Lindgren	Penas	Swenson
Adolphson	Demmer	Heidgerken	Lindner	Powell	Sykora
Anderson, B.	Dempsey	Holberg	Lipman	Rhodes	Tingelstad
Anderson, J.	Dorman	Hoppe	Magnus	Ruth	Urdahl
Blaine	Eastlund	Jacobson	McNamara	Samuelson	Vandever
Borrell	Erhardt	Johnson, J.	Nelson, C.	Seagren	Walz
Boudreau	Erickson	Kielkucki	Nelson, P.	Seifert	Wardlow
Bradley	Finstad	Klinzing	Nornes	Severson	Westrom
Brod	Fuller	Knoblach	Olsen, S.	Simpson	Wilkin
Buesgens	Gerlach	Kohls	Olson, M.	Smith	Zellers
Cornish	Gunther	Krinkie	Osterman	Soderstrom	Spk. Sviggum
Cox	Haas	Kuisle	Ozment	Stang	

The motion did not prevail and the amendment was not adopted.

Davids was excused for the remainder of today's session.

Olson, M.; Buesgens; Kielkucki; Westerberg; Abeler; Vandever; Beard; Severson; Lindner; Borrell; Juhnke; Marquart; Eastlund; Boudreau; Hackbarth; Wilkin and Wardlow moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 47, after line 12, insert:

"Sec. 3. [120B.25] [AMERICAN HERITAGE EDUCATION.]

(a) School districts must develop and implement a policy of grade-level instruction to assure the maintenance of freedom and encourage and provide the opportunity for all students to read and study America's founding documents that contribute to understanding the principles, character, and world view of America's founders. The documents and information covered under this policy are those that have contributed to the founding or maintaining of America's republican form of limited government, natural law, the free-market system, and patriotism. Districts must allow a principal or teacher to use, read, or post in a public school classroom or building or at a public school-sponsored event any document or document excerpt, including a document or document excerpt that contains religious content, related to the history, heritage, or foundation of the country or Minnesota. Examples of such documents and information include, but are not limited to:

(1) the Mayflower compact;

(2) the Declaration of Independence;

(3) the Constitutions of the United States and the state of Minnesota;

(4) the Northwest Ordinance of 1787;

(5) the Federalist Papers;

(6) the Pledge of Allegiance in its original and current forms;

(7) the national anthem and other patriotic songs;

(8) Patrick Henry's "give me liberty or give me death" speech, Washington's farewell address to the nation, Lincoln's Gettysburg address, and other writings such as those of George Washington Carver, Phyllis Wheatley, Florence Nightingale, and Reverend Doctor Martin Luther King Jr.;

(9) the acts and published records of Congress;

(10) the United States Supreme Court decisions and records;

(11) the Atlantic Slave Trade;

(12) the Civil Rights Movement; and

(13) the Women's Suffrage Movement.

(b) Districts may not limit or restrain instruction in American or Minnesota state history or heritage based on religious references in documents, writings, speeches, proclamations, or records described under paragraph (a). These and any other materials must be used for educational purposes and not to establish any religion.

(c) Students may voluntarily choose to read, write, share, report, or otherwise study a topic which is religious in nature provided other students are provided with the same opportunity to freely choose a topic.

**[EFFECTIVE DATE.]** This section is effective the day following final enactment."

Page 92, after line 18, insert:

"Sec. 61. [TITLE.]

Minnesota Statutes, section 120B.25, shall be known as the "American Heritage Education in Minnesota Public Schools Act."

**[EFFECTIVE DATE.]** This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson, M., et al amendment and the roll was called. There were 108 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Harder	Lanning	Opatz	Slawik
Abrams	Dempsey	Heidgerken	Larson	Osterman	Smith
Adolphson	Dill	Hilstrom	Latz	Otremba	Soderstrom
Anderson, B.	Dorman	Hilty	Lenczewski	Ozment	Stang
Anderson, I.	Dorn	Holberg	Lieder	Paulsen	Swenson
Anderson, J.	Eastlund	Hoppe	Lindgren	Pelowski	Sykora
Atkins	Eken	Howes	Lindner	Penas	Thissen
Bernardy	Ellison	Jacobson	Lipman	Peterson	Tingelstad
Biernat	Entenza	Jaros	Magnus	Pugh	Urdahl
Blaine	Erhardt	Johnson, J.	Marquart	Rhodes	Vandever
Borrell	Erickson	Juhnke	McNamara	Rukavina	Walz
Boudreau	Finstad	Kelliher	Mullery	Ruth	Wardlow
Bradley	Fuller	Kielkucki	Nelson, C.	Samuelson	Wasiluk
Brod	Gerlach	Knoblach	Nelson, M.	Seagren	Westerberg
Carlson	Greiling	Koenen	Nelson, P.	Seifert	Westrom
Cornish	Gunther	Kohls	Nornes	Sertich	Wilkin
Cox	Haas	Krinkie	Olsen, S.	Severson	Zellers
DeLaForest	Hackbarth	Kuisle	Olson, M.	Simpson	Spk. Sviggum

Those who voted in the negative were:

Buesgens	Huntley	Klinzing	Mariani	Strachan	Walker
Goodwin	Johnson, S.	Lesch	Paymar	Thao	
Hausman	Kahn	Mahoney	Powell	Wagenius	

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

Severson; Olson, M., and Buesgens moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 86, after line 18, insert:

"Sec. 53. Minnesota Statutes 2002, section 363.021, is amended to read:

363.021 [CONSTRUCTION OF LAW.]

Nothing in ~~this chapter~~ state law shall be construed to:

(1) mean the state of Minnesota condones homosexuality or bisexuality or any equivalent lifestyle;

(2) authorize or permit the promotion of homosexuality or bisexuality in education institutions or require the teaching in education institutions of homosexuality or bisexuality as an acceptable lifestyle, and such teaching or promotion is prohibited under this section and section 121A.23, subdivision 1, among other statutory sections;

(3) authorize or permit the use of numerical goals or quotas, or other types of affirmative action programs, with respect to homosexuality or bisexuality in the administration or enforcement of the provisions of this chapter; or

(4) authorize the recognition of or the right of marriage between persons of the same sex."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The Speaker called Abrams to the Chair.

Clark, Greiling and Kahn moved to amend the Severson et al amendment to H. F. No. 1404, the second engrossment, as amended, as follows:

Page 1, line 15, after the semicolon, insert "tolerance, violence prevention, discrimination prevention, and supportive counseling are not prohibited;"

The motion prevailed and the amendment to the amendment was adopted.

The Speaker resumed the Chair.

Latz moved to amend the Severson et al amendment, as amended, to H. F. No. 1404, the second engrossment, as amended, as follows:

Page 1, line 13, delete everything after the comma

Page 1, line 14, delete "prohibited" and insert "or the promotion of sexual activity"

Severson moved that the Severson et al amendment, as amended, to H. F. No. 1404, the second engrossment, as amended, be withdrawn. The motion prevailed.

Dill moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 93, after line 21, insert:

"\$65,000 of the fiscal year 2004 appropriation is for continuation of the magnet school program authorized under Laws 2000, chapter 489, article 7, section 15, subdivision 5, for independent school district No. 696, Ely."

The motion prevailed and the amendment was adopted.

Mariani; Davnie; Lesch; Hilty; Johnson, S.; Kelliher; Ellison; Carlson; Hausman; Juhnke; Hornstein; Thao; Opatz; Walker; Clark; Entenza; Paymar; Mullery; Mahoney; Goodwin; Greiling and Biernat moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 97, after line 20, insert:

"Sec. 62. [APPROPRIATION TRANSFER.]

Pending federal approval, \$1,000,000 per year is transferred from the federal funds for local collaborative time study dollars generated by school district employees for the payment of grants under Minnesota Statutes, sections 122A.64 and 122A.65."

Page 97, line 26, delete "122A.64; 122A.65;"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Mariani et al amendment and the roll was called. There were 54 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lenczewski	Opatz	Sieben
Atkins	Ellison	Jaros	Lesch	Otremba	Slawik
Bernardy	Entenza	Johnson, S.	Lieder	Otto	Solberg
Biernat	Goodwin	Juhnke	Mahoney	Paymar	Thao
Carlson	Greiling	Kahn	Mariani	Pelowski	Thissen
Clark	Hausman	Kelliher	Marquart	Peterson	Vandever
Davnie	Hilstrom	Koenen	Mullery	Pugh	Wagenius
Dill	Hilty	Larson	Murphy	Rukavina	Walker
Dorn	Hornstein	Latz	Nelson, M.	Sertich	Wasiluk

Those who voted in the negative were:

Abeler	DeLaForest	Harder	Lanning	Paulsen	Strachan
Abrams	Demmer	Heidgerken	Lindgren	Penas	Swenson
Adolphson	Dempsey	Holberg	Lindner	Powell	Sykora
Anderson, B.	Dorman	Hoppe	Lipman	Rhodes	Tingelstad
Anderson, J.	Eastlund	Howes	Magnus	Ruth	Urdahl
Blaine	Erhardt	Jacobson	McNamara	Samuelson	Walz
Borrell	Erickson	Johnson, J.	Nelson, C.	Seagren	Wardlow
Boudreau	Finstad	Kielkucki	Nelson, P.	Seifert	Westerberg
Bradley	Fuller	Klinzing	Nornes	Severson	Westrom
Brod	Gerlach	Knoblach	Olsen, S.	Simpson	Wilkin
Buesgens	Gunther	Kohls	Olson, M.	Smith	Zellers
Cornish	Haas	Krinkie	Osterman	Soderstrom	Spk. Sviggum
Cox	Hackbarth	Kuisle	Ozment	Stang	

The motion did not prevail and the amendment was not adopted.

Goodwin, Bernardy and Eken moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 26, after line 15, insert:

"Sec. 26. Minnesota Statutes 2002, section 126C.10, is amended by adding a subdivision to read:

Subd. 3a. [ENROLLMENT OPTIONS COMPENSATORY REVENUE.] For each nonresident pupil eligible for free or reduced price meals, a nonresident pupil's enrollment options compensatory revenue equals the greater of zero, or the difference between the average compensatory revenue per adjusted marginal cost pupil unit in the pupil's resident school district and the pupil's serving school district for that school year. A school district's enrollment options compensatory revenue equals the sum of its nonresident pupils' enrollment options compensatory revenue.

[EFFECTIVE DATE.] This section is effective for revenue for fiscal year 2004."

Page 46, after line 5, insert:

"Sec. 53. [APPROPRIATION TRANSFER.]

Pending federal approval, \$1,900,000 per year is transferred from the federal funds for local collaborative time study dollars generated by school district employees for the payment of enrollment options compensating revenue under section 26."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Goodwin et al amendment and the roll was called. There were 52 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lenczewski	Otremba	Slawik
Atkins	Ellison	Jaros	Lesch	Otto	Solberg
Bernardy	Entenza	Johnson, S.	Lieder	Paymar	Thao
Biernat	Goodwin	Juhnke	Mahoney	Pelowski	Thissen
Carlson	Greiling	Kahn	Mariani	Peterson	Wagenius
Clark	Hausman	Kelliher	Marquart	Pugh	Walker
Davnie	Hilstrom	Koenen	Murphy	Rukavina	Wasiluk
Dill	Hilty	Larson	Nelson, M.	Sertich	
Dorn	Hornstein	Latz	Opatz	Sieben	

Those who voted in the negative were:

Abeler	Blaine	Buesgens	Dempsey	Finstad	Hackbarth
Abrams	Borrell	Cornish	Dorman	Fuller	Harder
Adolphson	Boudreau	Cox	Eastlund	Gerlach	Heidgerken
Anderson, B.	Bradley	DeLaForest	Erhardt	Gunther	Holberg
Anderson, J.	Brod	Demmer	Erickson	Haas	Hoppe

Howes	Kuisle	Nelson, P.	Powell	Smith	Vandever
Jacobson	Lanning	Nornes	Rhodes	Soderstrom	Walz
Johnson, J.	Lindgren	Olsen, S.	Ruth	Stang	Wardlow
Kielkucki	Lindner	Olson, M.	Samuelson	Strachan	Westerberg
Klinzing	Lipman	Osterman	Seagren	Swenson	Westrom
Knoblach	Magnus	Ozment	Seifert	Sykora	Wilkin
Kohls	McNamara	Paulsen	Severson	Tingelstad	Zellers
Krinkie	Nelson, C.	Penas	Simpson	Urdahl	Spk. Sviggum

The motion did not prevail and the amendment was not adopted.

Olson, M., and Ellison moved to amend H. F. No. 1404, the second engrossment, as amended by the second Olson, M., et al amendment, as follows:

Page 1, lines 10 and 19 of the second Olson, M., et al amendment, delete "and information"

The motion prevailed and the amendment was adopted.

Slawik moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 182, delete lines 19 to 36

Page 183, delete line 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Slawik amendment and the roll was called. There were 53 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Huntley	Lenczewski	Otremba	Sieben
Atkins	Ellison	Jaros	Lesch	Otto	Slawik
Bernardy	Entenza	Johnson, S.	Lieder	Paymar	Solberg
Biernat	Goodwin	Juhnke	Mariani	Pelowski	Thao
Carlson	Greiling	Kahn	Marquart	Peterson	Thissen
Clark	Hausman	Kelliher	Mullery	Pugh	Wagenius
Davnie	Hilstrom	Koenen	Murphy	Rhodes	Walker
Dill	Hilty	Larson	Nelson, M.	Rukavina	Wasiluk
Dorn	Hornstein	Latz	Opatz	Sertich	

Those who voted in the negative were:

Abeler	Anderson, B.	Borrell	Brod	Cox	Dempsey
Abrams	Anderson, J.	Boudreau	Buesgens	DeLaForest	Dorman
Adolphson	Blaine	Bradley	Cornish	Demmer	Eastlund

Erhardt	Holberg	Kuisle	Olsen, S.	Seifert	Urdahl
Erickson	Hoppe	Lanning	Olson, M.	Severson	Vandever
Finstad	Howes	Lindgren	Osterman	Simpson	Walz
Fuller	Jacobson	Lindner	Ozment	Smith	Wardlow
Gerlach	Johnson, J.	Lipman	Paulsen	Soderstrom	Westerberg
Gunther	Kielkucki	Magnus	Penas	Stang	Westrom
Haas	Klinzing	McNamara	Powell	Strachan	Wilkin
Hackbarth	Knoblach	Nelson, C.	Ruth	Swenson	Zellers
Harder	Kohls	Nelson, P.	Samuelson	Sykora	Spk. Sviggum
Heidgerken	Krinkie	Nornes	Seagren	Tingelstad	

The motion did not prevail and the amendment was not adopted.

Davnie moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 43, line 29, before "The" insert "(a)"

Page 43, after line 34, insert:

"(b) The commissioner must also develop a plan for the task force that recognizes and financially rewards outstanding schools and school districts, where at least 40 percent of the students tested are eligible to receive a free or reduced price meal, that demonstrate:

(1) student achievement greater than the estimated statewide average student achievement for that particular assessment; or

(2) greater student achievement than schools or districts with similar populations of students tested who are eligible to receive a free or reduced price meal, have limited English proficiency, receive special education programs and services and are enrolled in the school or district for less than one school year.

[EFFECTIVE DATE.] This section is effective the day following final enactment and, for purposes of paragraph (b), requires the commissioner to begin to publicly recognize eligible schools and school districts using 2002 and 2003 reading and math basic skills test results."

The motion prevailed and the amendment was adopted.

Carlson and Osterman moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 133, line 5, strike "or"

Page 133, line 10, after "3a" insert "; or

(c) if the district has an approved plan and has been forced to vacate and permanently close a school building due to unsafe infestation of microbe growth that forces relocation of all school operations and the cost of renovation for this condition exceeds the guidelines established by this section, the school district may apply to the department of children, families, and learning for a project-specific exception to allow use of levy authority for new construction due to cost efficiencies and expediency because of the emergency closing of an operating school building. No district shall be eligible for alternative facilities aid under this provision"

A roll call was requested and properly seconded.

The question was taken on the Carlson and Osterman amendment and the roll was called. There were 54 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Ellison	Jaros	Lenczewski	Opatz	Sertich
Atkins	Entenza	Johnson, J.	Lesch	Osterman	Sieben
Bernardy	Goodwin	Johnson, S.	Lieder	Otremba	Slawik
Carlson	Greiling	Juhnke	Mahoney	Paymar	Solberg
Clark	Hausman	Kahn	Mariani	Pelowski	Thao
Davnie	Hilstrom	Kelliher	Marquart	Peterson	Thissen
Dill	Hilty	Koenen	Mullery	Pugh	Wagenius
Dorn	Hornstein	Larson	Murphy	Rhodes	Walker
Eken	Huntley	Latz	Nelson, M.	Rukavina	Wasiluk

Those who voted in the negative were:

Abeler	Cox	Hackbarth	Lanning	Paulsen	Swenson
Abrams	DeLaForest	Harder	Lindgren	Penas	Sykora
Adolphson	Demmer	Heidgerken	Lindner	Powell	Tingelstad
Anderson, B.	Dempsey	Holberg	Lipman	Ruth	Urdahl
Anderson, J.	Dorman	Hoppe	Magnus	Samuelson	Vandevveer
Biernat	Eastlund	Howes	McNamara	Seagren	Walz
Blaine	Erhardt	Jacobson	Nelson, C.	Seifert	Wardlow
Borrell	Erickson	Kielkucki	Nelson, P.	Severson	Westerberg
Boudreau	Finstad	Klinzing	Nornes	Simpson	Westrom
Bradley	Fuller	Knoblach	Olsen, S.	Smith	Wilkin
Brod	Gerlach	Kohls	Olson, M.	Soderstrom	Zellers
Buesgens	Gunther	Krinkie	Otto	Stang	Spk. Sviggum
Cornish	Haas	Kuisle	Ozment	Strachan	

The motion did not prevail and the amendment was not adopted.

Murphy, Huntley and Jaros moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Pages 88 to 89, delete section 55

The motion did not prevail and the amendment was not adopted.

Osterman and Carlson moved to amend H. F. No. 1404, the second engrossment, as amended, as follows:

Page 145, after line 11, insert:

"Sec. 29. [STUDY OF SCHOOL FACILITIES FORMULAS.]

The commissioner of children, families and learning must develop for the task force on school finance reform a report that examines issues of facility maintenance where the renovation or maintenance costs of a facility exceed the cost of facility replacement. The plan must examine the effects of the changes in the health and safety revenue program and the alternative facilities program contained in this article on facilities maintenance. To the extent

possible, the commissioner must include a case study, including the microbe growth infestation at Forest elementary school located in independent school district No. 281, Robbinsdale. If the commissioner and the task force determine that the existing facility formulas are insufficient to address the needs of schools such as Forest elementary school, the commissioner must recommend formula changes to the education committees of the legislature by January 15, 2004, that appropriately respond to school district needs."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Boudreau to the Chair.

H. F. No. 1404, A bill for an act relating to education; providing for kindergarten through grade 12 education including general education, education excellence, special programs, facilities and technology, nutrition, school accounting, other programs, deficiencies, state agencies, and academic content standard; providing for libraries; providing for early childhood and family education including early childhood family support, prevention, and self-sufficiency; requiring a school district primary election in certain circumstances; providing for recitation of the pledge of allegiance; providing for technical amendments to certain education provisions; changing the name of the department of children, families, and learning to the department of education; providing for teacher/school board contract arbitration and post arbitration procedures; providing for rulemaking; appropriating money; amending Minnesota Statutes 2002, sections 12.21, subdivision 3; 15.01; 84A.51, subdivision 4; 119A.01, subdivision 2; 119A.02, subdivisions 2, 3; 119A.52; 119B.011, subdivisions 8, 10, 20; 120A.02; 120A.05, subdivisions 4, 7, 9; 120A.24, subdivision 4; 120A.41; 121A.11, by adding subdivisions; 121A.21; 121A.23, subdivision 1, by adding a subdivision; 121A.41, subdivision 10; 121A.50; 121A.55; 121A.64; 122A.09, subdivision 10; 122A.12, subdivisions 1, 2; 122A.18, subdivision 7a; 122A.21; 122A.22; 122A.41, subdivision 2; 122A.414, by adding a subdivision; 122A.415, subdivisions 1, 3; 122A.63, subdivision 3; 123A.06, subdivision 3; 123A.18, subdivision 2; 123A.73, subdivisions 3, 4, 5; 123B.02, subdivisions 1, 14; 123B.36, subdivision 1; 123B.49, subdivision 4; 123B.51, subdivisions 3, 4; 123B.52, by adding a subdivision; 123B.53, subdivision 4; 123B.57, subdivisions 1, 4, 6; 123B.59, subdivisions 1, 2, 3, 5, by adding a subdivision; 123B.63, subdivisions 1, 2, 3, 4; 123B.72, subdivision 3; 123B.88, subdivision 2; 123B.90, subdivisions 2, 3; 123B.91, subdivision 1; 123B.92, subdivisions 1, 3, 9; 123B.93; 124D.03, subdivision 12; 124D.081, by adding a subdivision; 124D.09, subdivisions 3, 9, 10, 13, 16, 20; 124D.10, subdivisions 2a, 3, 4, 8, 13, 16, 20, 23a; 124D.11, subdivisions 1, 2, 4, 6, 9; 124D.118, subdivision 4; 124D.128, subdivisions 3, 6; 124D.13, subdivisions 2, 4, 8, 11; 124D.135, subdivisions 1, 8; 124D.15, subdivision 7; 124D.16, subdivisions 1, 6; 124D.19, subdivision 3; 124D.20, subdivisions 3, 5, by adding subdivisions; 124D.22, subdivision 3; 124D.42, subdivision 6; 124D.454, subdivisions 1, 2, 3, 8, 10, by adding a subdivision; 124D.52, subdivisions 1, 3; 124D.531, subdivisions 1, 2, 4, 7; 124D.59, subdivision 2; 124D.65, subdivision 5; 124D.86, subdivisions 1a, 3, 4, 5, 6; 125A.05; 125A.12; 125A.21, subdivision 2; 125A.28; 125A.30; 125A.76, subdivisions 1, 4; 125A.79, subdivisions 1, 6; 125B.21; 126C.05, subdivisions 1, 8, 14, 15, 16, 17, by adding a subdivision; 126C.10, subdivisions 1, 3, 4, 17, 18, 24, 28, by adding subdivisions; 126C.13, subdivision 4; 126C.15, subdivision 1; 126C.17, subdivisions 1, 2, 5, 7, 7a, 9, 13; 126C.21, subdivision 3; 126C.40, subdivision 1; 126C.42, subdivision 1; 126C.43, subdivisions 2, 3; 126C.44; 126C.45; 126C.457; 126C.48, subdivision 3; 126C.55, subdivision 5; 126C.63, subdivisions 5, 8; 126C.69, subdivisions 2, 9; 127A.05, subdivisions 1, 3, 4; 127A.45, subdivisions 2, 3, 7a, 10, 12, 13, 14, 14a, 16; 127A.47, subdivisions 7, 8; 127A.49, subdivisions 2, 3; 128C.05, by adding a subdivision; 128D.11, subdivision 8; 134.34, subdivision 4; 169.26, subdivision 3; 169.28, subdivision 1; 169.435; 169.449, subdivision 1; 169.4501, subdivisions 3, 4; 169.4503, subdivision 4; 169.454,

subdivision 6; 169.973, subdivision 1; 171.321, subdivision 5; 177.42, subdivision 2; 178.02, subdivision 1; 205A.03, subdivisions 1, 3, 4; 205A.06, subdivision 1a; 268.052, subdivisions 2, 4; 273.138, subdivision 6; 298.28, subdivision 4; 475.61, subdivisions 1, 3, 4; Laws 1965, chapter 705, as amended; Laws 2001, First Special Session chapter 6, article 2, section 64; proposing coding for new law in Minnesota Statutes, chapters 120B; 121A; 123B; 124D; 125A; 126C; repealing Minnesota Statutes 2002, sections 15.014, subdivision 3; 93.22, subdivision 2; 93.223, subdivision 1; 119A.01, subdivision 1; 120B.23; 121A.49; 122A.60; 122A.61; 122A.62; 122A.64; 122A.65; 123A.73, subdivisions 7, 10, 11; 123B.05; 123B.59, subdivisions 6, 7; 123B.81, subdivision 6; 123B.90, subdivision 1; 124D.09, subdivision 15; 124D.115; 124D.1156; 124D.17; 124D.21; 124D.221; 124D.54; 124D.65, subdivision 4; 124D.84, subdivision 2; 124D.89; 124D.93; 125A.023, subdivision 5; 125A.09; 125A.47; 125A.79, subdivision 2; 125B.11; 126C.01, subdivision 4; 126C.05, subdivision 12; 126C.12; 126C.125; 126C.14; 126C.445; 126C.55, subdivision 5; 127A.41, subdivision 6; 144.401, subdivision 5; 169.441, subdivision 4; 239.004; Laws 1993, chapter 224, article 8, section 20, subdivision 2, as amended; Laws 2000, chapter 489, article 2, section 36, as amended; Laws 2001, First Special Session chapter 3, article 4, sections 1, 2; Laws 2001, First Special Session chapter 6, article 2, section 52; Laws 2001, First Special Session chapter 6, article 5, section 12, as amended; Minnesota Rules, parts 3500.0600; 3520.0400; 3520.1400; 3520.3300; 3530.1500; 3530.2700; 3530.4400; 3530.4500; 3530.4700; 3550.0100.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 71 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abeler	Dorman	Hoppe	Lipman	Powell	Swenson
Abrams	Eastlund	Howes	Magnus	Rhodes	Sykora
Adolphson	Erhardt	Jacobson	McNamara	Ruth	Tingelstad
Anderson, B.	Erickson	Johnson, J.	Nelson, C.	Samuelson	Vandever
Blaine	Finstad	Kielkucki	Nelson, P.	Seagren	Walz
Borrell	Gerlach	Klinzing	Nornes	Seifert	Wardlow
Boudreau	Gunther	Knoblach	Olsen, S.	Severson	Westerberg
Bradley	Haas	Kohls	Olson, M.	Simpson	Westrom
Buesgens	Hackbarth	Krinkie	Osterman	Smith	Wilkin
DeLaForest	Harder	Kuisle	Ozment	Soderstrom	Zellers
Demmer	Heidgerken	Lanning	Paulsen	Stang	Spk. Sviggum
Dempsey	Holberg	Lindner	Penas	Strachan	

Those who voted in the negative were:

Anderson, I.	Davnie	Hilstrom	Larson	Murphy	Sertich
Anderson, J.	Dill	Hilty	Latz	Nelson, M.	Sieben
Atkins	Dorn	Hornstein	Lenczewski	Opatz	Slawik
Bernardy	Eken	Huntley	Lesch	Otremba	Solberg
Biernat	Ellison	Jaros	Lieder	Otto	Thao
Brod	Entenza	Johnson, S.	Lindgren	Paymar	Thissen
Carlson	Fuller	Juhnke	Mahoney	Pelowski	Urdahl
Clark	Goodwin	Kahn	Mariani	Peterson	Wagenius
Cornish	Greiling	Kelliher	Marquart	Pugh	Walker
Cox	Hausman	Koenen	Mullery	Rukavina	Wasiluk

The bill was passed, as amended, and its title agreed to.

**FISCAL CALENDAR, Continued**

Pursuant to rule 1.22, Knoblach requested immediate consideration of H. F. No. 748.

H. F. No. 748 was reported to the House.

Wardlow offered an amendment to H. F. No. 748, the third engrossment.

**POINT OF ORDER**

Kelliher raised a point of order pursuant to rule 3.21 that the Wardlow amendment was not in order. Speaker pro tempore Boudreau ruled the point of order well taken and the Wardlow amendment out of order.

Goodwin, Sertich, Sieben, Mahoney, Davnie and Greiling moved to amend H. F. No. 748, the third engrossment, as follows:

Page 23, after line 28, insert:

"Sec. 8. Minnesota Statutes 2002, section 181.9412, is amended to read:

181.9412 [SCHOOL CONFERENCE AND ACTIVITIES LEAVE; ELDER, SPOUSE CARE LEAVE.]

Subdivision 1. [DEFINITION.] For purposes of this section, "employee" does not include the requirement of section 181.940, subdivision 2, clause (1).

Subd. 1a. [FOSTER CHILD.] For the purpose of this section, "child" includes a foster child.

Subd. 2. [SCHOOL CONFERENCE AND ACTIVITIES LEAVE OF 16 HOURS.] An employer must grant an employee leave of up to a total of 16 hours during any 12-month period to attend school conferences or school-related activities related to the employee's child, provided the conferences or school-related activities cannot be scheduled during nonwork hours. If the employee's child receives child care services as defined in section 119B.011, subdivision 7, or attends a prekindergarten regular or special education program, the employee may use the leave time provided in this section to attend a conference or activity related to the employee's child, or to observe and monitor the services or program, provided the conference, activity, or observation cannot be scheduled during nonwork hours. When the leave cannot be scheduled during nonwork hours and the need for the leave is foreseeable, the employee must provide reasonable prior notice of the leave and make a reasonable effort to schedule the leave so as not to disrupt unduly the operations of the employer.

Subd. 2a. [ELDER, SPOUSE CARE LEAVE.] An employer must grant an employee leave of up to a total of 16 hours during any 12-month period to assist elderly or disabled parents, grandparents, stepparents, foster and adoptive parents, and a spouse to attend appointments with a health care provider, provided the health care appointments cannot be scheduled during nonwork hours.

Subd. 3. [NO PAY REQUIRED; SUBSTITUTE OF PAID LEAVE.] Nothing in this section requires that the leave be paid; except that an employee may substitute any accrued paid vacation leave or other appropriate paid leave for any part of the leave under this section.

[EFFECTIVE DATE.] This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2002, section 181.9413, is amended to read:

181.9413 [~~SICK OR INJURED CHILD CARE AND ELDER, SPOUSE CARE LEAVE.~~]

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's child for such reasonable periods as the employee's attendance with the child may be necessary, on the same terms the employee is able to use sick leave benefits for the employee's own illness or injury. An employee may use personal sick leave benefits provided by the employer for absences due to an illness of or injury to the employee's elderly or disabled parents, grandparents, stepparents, foster parents, adoptive parents, spouse, and parents of a spouse to attend appointments with a health care provider. This section applies only to personal sick leave benefits payable to the employee from the employer's general assets.

(b) For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.

**[EFFECTIVE DATE.]** This section is effective the day following final enactment."

Re-number the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Goodwin et al amendment and the roll was called. There were 47 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Dorn	Hilty	Koenen	Nelson, M.	Slawik
Atkins	Eken	Hornstein	Latz	Otremba	Solberg
Bernardy	Ellison	Huntley	Lesch	Paymar	Thao
Biernat	Entenza	Jaros	Lieder	Peterson	Thissen
Carlson	Goodwin	Johnson, S.	Mahoney	Pugh	Wagenius
Clark	Greiling	Juhnke	Mariani	Rukavina	Walker
Davnie	Hausman	Kahn	Mullery	Sertich	Wasiluk
Dill	Hilstrom	Kelliher	Murphy	Sieben	

Those who voted in the negative were:

Abeler	Cornish	Gerlach	Kielkucki	Lipman	Otto
Abrams	Cox	Gunther	Klinzing	Magnus	Ozment
Adolphson	DeLaForest	Haas	Knoblach	Marquart	Paulsen
Anderson, B.	Demmer	Hackbarth	Kohls	McNamara	Pelowski
Anderson, J.	Dempsey	Harder	Krinkie	Nelson, C.	Penas
Blaine	Dorman	Heidgerken	Kuisle	Nelson, P.	Powell
Borrell	Eastlund	Holberg	Lanning	Nornes	Rhodes
Boudreau	Erhardt	Hoppe	Larson	Olsen, S.	Ruth
Bradley	Erickson	Howes	Lenczewski	Olson, M.	Samuelson
Brod	Finstad	Jacobson	Lindgren	Opatz	Seagren
Buesgens	Fuller	Johnson, J.	Lindner	Osterman	Seifert

Severson	Soderstrom	Swenson	Urdahl	Wardlow	Wilkin
Simpson	Stang	Sykora	Vandever	Westerberg	Zellers
Smith	Strachan	Tingelstad	Walz	Westrom	Spk. Sviggum

The motion did not prevail and the amendment was not adopted.

Borrell and Osterman moved to amend H. F. No. 748, the third engrossment, as follows:

Page 4, line 12, after "collaboration," insert "data access and confidentiality policies;"

The motion prevailed and the amendment was adopted.

Olson, M.; Kelliher; Mariani; Westrom and Urdahl moved to amend H. F. No. 748, the third engrossment, as amended, as follows:

Page 81, after line 21, insert:

"Sec. 17. [SEASONAL AGRICULTURAL OPERATIONS; MANUFACTURED HOME PARK EXCLUSIONS.]

Notwithstanding Minnesota Statutes, section 327.14, subdivision 3, and section 327.23, subdivision 2, the term "manufactured home park" shall not be construed to include up to four manufactured homes maintained by an individual or a company on premises associated with a seasonal agricultural operation and used exclusively to house labor or other personnel occupied in such operation if:

(1) these manufactured homes are equipped with indoor plumbing facilities and meet the standards established in Minnesota Rules, parts 4630.0600, subpart 1, 4630.0700, 4630.1200, 4630.3500, and 4715.0310;

(2) these manufactured homes provide at least 80 square feet of indoor living space per inhabitant of each home;

(3) these manufactured homes are installed in compliance with the state building code under Minnesota Rules, chapter 1350;

(4) these manufactured homes are in compliance with Minnesota Statutes, section 326.243;

(5) the individual or company maintaining these manufactured homes, with the assistance and approval of the city or town where the homes are located, develops a plan to be posted in conspicuous locations near the homes for the sheltering, or the safe evacuation to a safe place of shelter, of the residents of the homes in time of severe weather conditions, such as tornadoes, high winds, and floods; and

(6) the individual or company maintains the homes in a clean, orderly, and sanitary condition.

[EFFECTIVE DATE.] This section is effective the day following final enactment and expires two years after the effective date."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Mahoney; Otto; Davnie; Nelson, M.; Johnson, S.; Lesch; Hornstein; Dorn; Atkins; Sertich; Thao; Hilstrom and Entenza moved to amend H. F. No. 748, the third engrossment, as amended, as follows:

Page 9, line 45, delete "\$6,544,000" and insert "\$7,205,000"

Page 9, line 45, delete "\$6,478,000" and insert "\$7,139,000"

Page 10, after line 5, insert:

"\$661,000 each year is from the general fund for the apprenticeship program."

Page 10, line 7, delete "\$2,905,000" and insert "\$3,566,000"

Page 10, line 7, delete "\$2,839,000" and insert "\$3,500,000"

Pages 21 to 24, delete sections 1 to 9

Page 24, delete section 11

Page 81, after line 21, insert:

"Sec. 17.

Notwithstanding any other provision of law, the departments of trade and economic development, labor and industry, commerce, and economic security shall not employ assistant commissioners or deputy commissioners."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Mahoney et al amendment and the roll was called. There were 55 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Anderson, I.	Eken	Jaros	Lieder	Otto	Thao
Anderson, J.	Ellison	Johnson, S.	Mahoney	Paymar	Thissen
Atkins	Entenza	Juhnke	Mariani	Pelowski	Wagenius
Bernardy	Goodwin	Kahn	Marquart	Peterson	Walker
Biernat	Greiling	Kelliher	McNamara	Pugh	Wasiluk
Carlson	Hausman	Koenen	Mullery	Rukavina	
Clark	Hilstrom	Larson	Murphy	Sertich	
Davnie	Hilty	Latz	Nelson, M.	Sieben	
Dill	Hornstein	Lenczewski	Opatz	Slawik	
Dorn	Huntley	Lesch	Otremba	Solberg	

Those who voted in the negative were:

Abeler	Demmer	Heidgerken	Lindgren	Powell	Sykora
Abrams	Dempsey	Holberg	Lindner	Rhodes	Tingelstad
Adolphson	Dorman	Hoppe	Lipman	Ruth	Urdahl
Anderson, B.	Eastlund	Howes	Magnus	Samuelson	Vandever
Blaine	Erhardt	Jacobson	Nelson, C.	Seagren	Walz
Borrell	Erickson	Johnson, J.	Nelson, P.	Seifert	Wardlow
Boudreau	Finstad	Kielkucki	Nornes	Severson	Westerberg
Bradley	Fuller	Klinzing	Olsen, S.	Simpson	Westrom
Brod	Gerlach	Knoblach	Olson, M.	Smith	Wilkin
Buesgens	Gunther	Kohls	Osterman	Soderstrom	Zellers
Cornish	Haas	Krinkie	Ozment	Stang	Spk. Sviggum
Cox	Hackbarth	Kuise	Paulsen	Strachan	
DeLaForest	Harder	Lanning	Penas	Swenson	

The motion did not prevail and the amendment was not adopted.

Mariani, Bernardy and Latz moved to amend H. F. No. 748, the third engrossment, as amended, as follows:

Pages 78 and 79, delete section 13

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Mariani et al amendment and the roll was called. There were 56 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Eken	Jaros	Mahoney	Paulsen	Thao
Anderson, I.	Ellison	Johnson, S.	Mariani	Paymar	Thissen
Atkins	Entenza	Kahn	Mullery	Pelowski	Tingelstad
Bernardy	Goodwin	Kelliher	Murphy	Peterson	Wagenius
Biernat	Greiling	Koenen	Nelson, C.	Pugh	Walker
Carlson	Hausman	Larson	Nelson, M.	Rhodes	Wasiluk
Clark	Hilstrom	Latz	Nelson, P.	Samuelson	
Cox	Hilty	Lenczewski	Opatz	Sieben	
Davnie	Hornstein	Lesch	Otremba	Slawik	
Dorn	Huntley	Lieder	Otto	Strachan	

Those who voted in the negative were:

Abeler	Boudreau	Demmer	Erickson	Hackbarth	Jacobson
Adolphson	Bradley	Dempsey	Finstad	Harder	Johnson, J.
Anderson, B.	Brod	Dill	Fuller	Heidgerken	Juhnke
Anderson, J.	Buesgens	Dorman	Gerlach	Holberg	Kielkucki
Blaine	Cornish	Eastlund	Gunther	Hoppe	Klinzing
Borrell	DeLaForest	Erhardt	Haas	Howes	Knoblach

Kohls	Magnus	Ozment	Sertich	Swenson	Westrom
Krinkie	Marquart	Penas	Severson	Sykora	Wilkin
Kuisle	McNamara	Powell	Simpson	Urdahl	Zellers
Lanning	Nornes	Rukavina	Smith	Vandev eer	Spk. Sviggum
Lindgren	Olsen, S.	Ruth	Soderstrom	Walz	
Lindner	Olson, M.	Seagren	Solberg	Wardlow	
Lipman	Osterman	Seifert	Stang	Westerberg	

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

H. F. No. 748, A bill for an act relating to state government; appropriating money for economic development, housing, and certain agencies of state government; modifying programs; regulating activities and practices; modifying penalty provisions; changing terms; authorizing a registration fee; modifying displaced homemaker provisions; increasing the petroleum inspection fee; requiring uniform mandatory penalties against license holders and a licensee's employees for sales to minors; providing for mitigating circumstances in assessing penalties; modifying motor vehicle installment sales provisions; amending Minnesota Statutes 2002, sections 13.462, subdivision 2; 16B.35, subdivision 1; 17.101, subdivision 1; 41A.036, subdivision 2; 43A.24, subdivision 2; 43A.27, subdivision 2; 47.59, subdivision 4a; 60A.14, subdivision 1; 79.56, subdivisions 1, 3; 115C.02, subdivision 14; 115C.08, subdivision 4; 115C.09, subdivision 3, by adding subdivisions; 115C.11, subdivision 1; 115C.13; 116.073, subdivisions 1, 2; 116.46, by adding subdivisions; 116.49, by adding subdivisions; 116.50; 116J.011; 116J.411, by adding a subdivision; 116J.415, subdivisions 1, 2, 4, 5, 7, 11; 116J.553, subdivision 2; 116J.554, subdivision 2; 116J.64, subdivision 2; 116J.8731, subdivisions 1, 4, 5, 7; 116J.8764, by adding a subdivision; 116J.955, subdivision 2; 116J.966, subdivision 1; 116J.994, subdivision 4; 116J.995; 116L.02; 116L.04, subdivisions 1, 1a; 116L.12, subdivision 4; 116L.17, subdivisions 2, 3, 8, by adding a subdivision; 116M.14, subdivision 4; 116O.03, subdivision 2; 116O.091, subdivision 7; 116O.12; 154.18; 168.66, subdivision 14; 168.71, subdivision 2; 168.75; 175.16, subdivision 1; 177.26, subdivisions 1, 2; 178.01; 178.03, subdivisions 1, 2; 181.9435, subdivision 1; 181.9436; 216A.03, subdivision 1; 216C.41, subdivision 1; 239.10, subdivision 3; 239.101, subdivision 3; 248.10; 268A.02, by adding a subdivision; 326.105; 354D.02, subdivision 2; 461.12, subdivision 2; 461.19; 624.20, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 60A; 115C; 178; repealing Minnesota Statutes 2002, sections 13.598, subdivision 2; 116J.411, subdivision 3; 116J.415, subdivisions 6, 9, 10; 116J.693; 116J.9665; 116L.03, subdivision 7; 138.91; 155A.03, subdivisions 14, 15; 155A.07, subdivision 9; 177.26, subdivision 3; 178.11; Minnesota Rules, part 2100.9300, subpart 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 79 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Abeler	Boudreau	Demmer	Fuller	Holberg	Knoblach
Abrams	Bradley	Dempsey	Gerlach	Hoppe	Kohls
Adolphson	Brod	Dorman	Gunther	Howes	Krinkie
Anderson, B.	Buesgens	Eastlund	Haas	Jacobson	Kuisle
Anderson, J.	Cornish	Erhardt	Hackbarth	Johnson, J.	Lanning
Blaine	Cox	Erickson	Harder	Kielkucki	Lindgren
Borrell	DeLaForest	Finstad	Heidgerken	Klinzing	Lindner

Lipman	Olsen, S.	Rhodes	Smith	Urdahl	Zellers
Magnus	Olson, M.	Ruth	Soderstrom	Vandevveer	Spk. Sviggum
Marquart	Osterman	Samuelson	Stang	Walz	
McNamara	Ozment	Seagren	Strachan	Wardlow	
Nelson, C.	Paulsen	Seifert	Swenson	Westerberg	
Nelson, P.	Penas	Severson	Sykora	Westrom	
Nornes	Powell	Simpson	Tingelstad	Wilkin	

Those who voted in the negative were:

Anderson, I.	Eken	Huntley	Lenczewski	Otremba	Slawik
Atkins	Ellison	Jaros	Lesch	Otto	Solberg
Bernardy	Entenza	Johnson, S.	Lieder	Paymar	Thao
Biernat	Goodwin	Juhnke	Mahoney	Pelowski	Thissen
Carlson	Greiling	Kahn	Mariani	Peterson	Wagenius
Clark	Hausman	Kelliher	Mullery	Pugh	Walker
Davnie	Hilstrom	Koenen	Murphy	Rukavina	Wasiluk
Dill	Hilty	Larson	Nelson, M.	Sertich	
Dorn	Hornstein	Latz	Opatz	Sieben	

The bill was passed, as amended, and its title agreed to.

### CALENDAR FOR THE DAY

Paulsen moved that the Calendar for the Day be continued. The motion prevailed.

### FISCAL CALENDAR ANNOUNCEMENT

Pursuant to rule 1.22, Knoblach announced his intention to place H. F. Nos. 749 and 437 on the Fiscal Calendar for Thursday, May 1, 2003.

### MOTIONS AND RESOLUTIONS

Boudreau moved that the names of Hoppe; Lanning; Urdahl; Borrell; Wardlow; Adolphson; Nelson, C.; Finstad; McNamara; Cox and Westrom be added as authors on House Resolution No. 9. The motion prevailed.

Bradley moved that H. F. No. 29 be returned to its author. The motion prevailed.

Boudreau moved that H. F. No. 261 be returned to its author. The motion prevailed.

### ADJOURNMENT

Paulsen moved that when the House adjourns today it adjourn until 10:00 a.m., Thursday, May 1, 2003. The motion prevailed.

Paulsen moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 10:00 a.m., Thursday, May 1, 2003.

EDWARD A. BURDICK, Chief Clerk, House of Representatives